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ABSTRACT

A study of the implementation of six major federal education policies in four urban school districts (Baltimore, Maryland; Milwaukee, Wisconsin; San Diego, California; and Dade County, Florida) generally supported a new theory of federalism. Research data were drawn from statistical reports and from interviews with over 150 persons at local, state, and federal levels between 1981 and 1983. A secondary study of federal policies in health and housing tested the primary study's findings. The study concluded that the pattern of intergovernmental relations depends on whether the policies concerned are developmental or redistributive, whether the programs are new or well-established, and whether political constituencies are mobilized. Developmental programs tend to generate less intergovernmental friction and are best directed by politicians, while redistributive policies can counter local political interests, particularly in less prosperous locales, and are best administered by professionals. While inter-governmental systems appear to develop consensual decision-making processes over time, the image of unworkable federalism may persist because research often focuses on new programs and controversial policies. The study also considers the political and legislative contexts affecting enactment of educational programs, and the economic, fiscal, and political characteristics of the school districts studied. (PGD)

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WHEN FEDERALISM WORKS

by

Paul E. Peterson, Barry G. Rabe, and Kenneth Wong

EA 017 264

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PREFACE

The politics of education at the federal level has been transformed since the proposal for this study was first drafted in the summer of 1979. At that time the federal government was consolidating its hold over the educational responsibilities it had assumed in the prior decade. Compensatory education programs for the disadvantaged, begun in 1965, not only had increased in size, but had also become more focused through regulatory requirements and detailed evaluations. In addition, Washington had undertaken new responsibilities for the education of the handicapped, for assisting the processes of school desegregation, for developing programs for those with limited English-language proficiency, and for equalizing opportunities for women and minorities in vocational education. This enlarged federal role seemed to have been institutionalized within the American educational system; issues were limited to the ways in which that role would be played.

In our proposal we had accepted what can now be seen as a more pervasive, more significant conventional wisdom than was then apparent: namely, that intergovernmental relations were so marked by regulation, red-tape and confusion that policy implementation was disjointed and counterproductive. Our primary objective for this study was to document how and why this red-tape and regulation was an almost inevitable byproduct of intergovernmental attempts to deliver services to those in the population with special needs. We hoped that if people understood better the reasons for federal-local conflicts, expectations would be more realistic and issues would be cast in less personal and partisan terms.

As the research progressed, three unanticipated findings dramatically reshaped the study, yielding a final report that, even though based on our original understanding, is nonetheless decidedly different from what was first proposed. First, we were as surprised as was the educational community as a whole by the swiftness with which the election returns of 1980 affected federal policy in education. By the time our field research had begun, Congress had passed the Reconciliation Act of 1981, which eliminated the curricular supplies and school desegregation programs, altered the legislative context for compensatory education, and cut funds for the impact aid, vocational education and special education programs.

The legislative changes would take a year or two before they began to affect program operations, of course; nothing that was happening in Washington had yet begun to have an effect in the field. We were still able to see federal programs as they had developed during what may now loosely be referred to as the Great Society era. Yet we--and our respondents--became conscious that we were historians, writing a concise, eyewitness account of how these Great Society policies had finally developed in the decade or more after their original enactment, immediately before a new political era might forever change their shape. It was as if we were given a chance to record the dying moments of Pompeii shortly before Mount Vesuvius was to erupt. Perhaps this was why so many gave us the time and cordiality that it was our pleasure to experience in our visits to the four study sites.

Our second surprise was no less unanticipated than the first. We expected to see confusion and disarray, regulation and conflict, discouragement and defeat. As one analyst has recently argued, "the Great Society Ronald Reagan challenged in 1980 was not a healthy and robust one, but an ailing and decrepit Great Society."[1] Pompeii's wickedness was to be avenged by a fire-breathing god. Instead, we found a level of competence, energy, focus and seriousness that was quite out of keeping with the political rhetoric of the day. Under close observation Pompeii turned out to be nothing more than an ordinary town going about its daily business but which quite coincidentally happened to be located next to a no longer dormant volcano.

These realizations were so contrary to the conventional wisdom of the time that we expanded our project to examine federal programs in two other prominent areas of domestic policy--health care and housing. Was capable management of federal programs exclusive to elementary and secondary education or was it reflective of larger trends that ran throughout the federal system? Despite numerous differences in the structure and interest of these other programs, many similar patterns were evident. Whether engaged in special education, prepaid group medical practice, or community development, federal categorical programs did not necessarily prove to be sources of intergovernmental conflict and local chaos after all.

These findings prepared us for the third unexpected development. Mount Vesuvius erupted all right, but the lava it spewed forth reached only to the edges of this modern day Pompeii. Or, more exactly, the town fought back, dousing the fires that a new political leadership in

Washington had been igniting. Thus far the Reconciliation Act of 1981 has changed federal education policy less than many had anticipated. The major programs--compensatory education, special education, vocational education, impact aid, bilingual education--have remained essentially intact, if reduced in size. Deregulation has begun haltingly and with little apparent programmatic consequence--at least for the time being. Our account of educational policy circa 1980 is not just a history; it helps to account for the way in which these programs preserved their identities at least through one term of a conservative administration. Their future, though still fragile, seems more assured at this writing than when our field research began.

The debts incurred in the course of this research are especially large, because the study was trans-continental in two respects. First, it was a study of four school districts located in places that ranged across the full breadth of the nation. As a result, we were particularly dependent upon local school officials and knowledgeable observers of local school affairs for access to primary data and information about decision-making processes. School superintendents in all four cities graciously agreed to meet with the study team, and in every case they assigned a member of their staff to the dubious task of showing outsiders around their schools and arranging interviews with school officials. For their assistance in this regard, we are especially indebted to Superintendent John L. Crew, Sr., and Earl Jones, Executive Assistant to the Superintendent, in Baltimore, Superintendent Leonard Britton and Tee S. Greer, Jr., Assistant Superintendent for Federal Projects Administration, in Dade County, Superintendent Lee McMurrin and Emmett Moll, Assistant Superintendent and Budget Director, in Milwaukee, and Superintendent Thomas Goodman and H. David Fish, Director of Special Projects, in San Diego.

In addition, individuals with a wide range of expertise in various federal programs were interviewed, the majority of whom were contacted independently of the central school administrations. In all, more than one hundred fifty people consented to be interviewed for this project between 1981 and 1983, providing diverse experience and insight. In special education, for example, interviews were conducted with assistant superintendents for special education, representatives of parental advisory councils for the handicapped, school board members, and program specialists at the local and state levels. Numerous principals and teachers in schools that were responsible for the federal special education program in some way were also interviewed, whether or not they were formally trained and certified to serve the handicapped. A similarly diverse set of subjects were interviewed in each of the education, health care, and housing programs. We are most grateful to all who gave of their time and in many cases opened their files to our inspection. All unacknowledged quotations come from the confidential interviews that we conducted with these officials.

Secondly, the study was carried out at three different institutions which provided residence for the principal investigator and other staff members. NORC at the University of Chicago was the primary institutional home for the project, and at this location James Christiansen, Stephen Wood, and Ted Reuter assisted in data collection and the preparation of preliminary reports. However, much of the initial data collection was begun while Paul Peterson was a Visiting Professor in the Departments of Education and Political Science at

Stanford University. During this period Julie Love, Charles Upshaw, and Alec Bender assisted in the processes of interviewing, gathering of field documents and preparation of preliminary reports. The project was completed at the Brookings Institution with the assistance of Carol Peterson. Administrative and clerical assistance was provided by Annette Barrett, Carol Forster, Maggie Kazak, and Adele Pardee at the University of Chicago, Eve Dimon at Stanford University, and Julie Bailes, Pamela Harris, Janet Hathaway, Diane Hodges, and Robert Londis at the Brookings Institution.

Many have offered useful suggestions on earlier drafts or portions of this report. We are especially grateful to Jeffrey Anderson, Odin Anderson, James Cibulka, Terry Clark, J. David Greenstone, William Gunderson, Robert Katzmann, Michael Kirst, Douglas Mitchell, Jerome Murphy, Gary Orfield, Benjamin Page, and Frederick Wirt, and to Donald Burnes, Grace Mastalli, and Ronald Anson, our project officers at the National Institute of Education.

Portions of this report are revised versions of convention papers and published articles. An earlier version of Chapter V was published in Issues in Education (Spring 1983), and reprinted in Policy Studies Review Annual, Vol. 7, (New Brunswick, New Jersey: Transaction, forthcoming), under the title "Educational Policy Implementation: Are Block Grant Proposals Based on Out of Date Research?", Chapter VI is a revised version of "School Desegregation and the Emergency School Assistance Act," presented at the 1983 Annual Meeting of the American Educational Research Association in Montreal. A prior version of Chapter VII, "The Reappearance of Co-operative Federalism: Administering Health and Education Policy," was presented at the 1984

Annual Meeting of the American Political Science Association Meeting in Chicago. Portions of Chapter VIII previously appeared in "Toward a Differentiated Theory of Federalism: Education and Housing Policy in the 1980s," Research in Urban Policy, Vol. 1 (1984).

While all authors contributed to all chapters, Paul Peterson assumed primary responsibility for Chapters I, II, IV, VI, and IX, Barry Rabe assumed primary responsibility for Chapters III, V, and VII, and Kenneth Wong assumed primary responsibility for Chapter VIII. Stephen Wood is a co-author of Chapter VI.

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PART I

Issues and Cases

Chapter I

FEDERALISM AND EDUCATION POLICY

The federal role in education, once applauded by respected observers and commentators, has become the object of searching criticism. Grant-in-aid programs, which were once regarded as essential institutional innovations, are now said to be the cause of bureaucratic nightmares. Once regarded as the best hope for educational progress, federal involvement is now said to be the cause of our educational discontent. What was once accepted as a growing presence could soon wither away.

Many familiar with American educational institutions believe the federal role to be excessive. Anne Campbell, commissioner of education for the state of Nebraska, insists that "prescriptive federal legislation and regulations are increasingly limiting the latitude within which states and local districts can work. In areas such as vocational education, education of the handicapped, and bilingual education, there is far too much specificity in federal directives."[1] Writing before recent cuts were made, David Savage, education editor for the Los Angeles Times, added:

> If Title I [the major compensatory education program] were the only aid program, there would be enough paperwork to keep everyone busy. But over the past 20 years, new education programs have sprouted up like fast food franchises along the highway. . . The U.S. Office of Education used to

> count 134 different programs each with its own set of grant regulations, its own application, its own grant competition, and its own distribution network. The Education Department has no authority to eliminate a single one of these programs, to combine it with another, or to alter it in any way.[2]

And as J. Myron Atkin, dean of the Stanford School of Education, observed, "As power shifts from teacher to politician and civil servant, the new governmental assertiveness has effects in the classroom that are not always positive".[3] In the words of Albert Shanker, president of the American Federation of Teachers, "More and more decisions are being made by federal bureaucrats, state legislatures, financial control boards or budget officials at the federal and state levels. While control is slipping away from local officials, it is not being concentrated elsewhere. Power over the schools is being fragmented in a hundred different directions."[4] Joseph M. Cronin, while state superintendent of education for the state of Illinois, summarized the picture in these stark terms:

> Most of the signals point to an increasingly centralized system and national education policy. This trend may, in fact, increase certain kinds of education opportunity while diminishing the traditional options of local and state governments. The junior partner [the federal government] is taking over the firm through sheer aggressiveness,

> while the senior partners fret about additional paperwork but graciously accept the extra income.[5]

These concerns about excessive federal interference in local school policy were expressed in no uncertain terms by President Ronald Reagan, shortly after taking office: "Look at the record. Federal spending on education soared eightfold in the last 20 years, rising much faster than inflation. But during the same period, scholastic aptitude test scores went down, down and down."[6] The Reagan administration proposed in early 1981 that forty-four elementary- and secondary-education grant programs be consolidated into two block grants, one of which would be allocated among the states and the other among local school districts. According to the administration, "The block grants will shift control over education policy away from the Federal Government and back to State and local authorities--where it constitutionally and historically belongs."[7]

This study reports a distinctively more optimistic set of findings concerning the federal role in education. Although we found examples of bureaucratic ineptitude, concessions to special interests, and inefficient use of federal resources, the dominant pattern was quite the opposite. Instead of conflict, we found cooperation. Instead of federal dictation, we found mutual accommodation on the part of national, state and local officials. Instead of a misallocation of federal resources, we found ready acquiescence to federal policy at the state and local level. Above all, instead of a heavy federal presence, we found a highly decentralized system whose administration remained in the firm hands of local officials. Three tables both provide useful

Table I-1 Sources of Public-School Revenue Receipts and the Percentage Spent on Public Elementary- and Secondary-School Current Expenditures

	1929-30	1939-40	1949-50	1959-60	1969-70	1979-80
Total revenue receipts (in billions)	$2.09	$2.26	$5.44	$14.75	$40.27	$96.9
Percentage of revenue from:						
Federal government	.4%	1.8%	2.9%	4.4%	8.0%	9.8%
State governments	16.9	30.3	39.8	39.1	39.9	46.8
Local sources	82.7	68.0	57.3	56.5	52.1	43.4
Total %	100.0%	100.1%	100.0%	100.0%	100.0%	100.0%
Total expenditures for all public schools (in billions)	$2.32	$2.34	$5.84	$15.61	$40.68	$96.0
Percentage of total expenditures for elementary and secondary school current expenditures	79.6%	82.8%	80.3%	70.0%	84.1%	90.6%

Source: Department of Education National Center for Education Statistics, Digest of Education Statistics (Washington, D.C.: Government Printing Office, 1980, 1981, 1982 eds.).

Table I-2 Current Dollar Federal Expenditure for Elementary- and Secondary-Education Programs, 1960-83

Program	Fiscal Year							
	1960	1964	1968	1972	1976	1980	1982	1983
	(in millions)							
Vocational education	45.2	54.5	255.2	416.9	590.9	680.7	742.2	823.7
Federally impacted areas	258.2	334.3	506.4	648.6	598.9	821.1	456.2	480.0
NDEA	52.8	42.5	75.8	47.8	29.0	31.2[a]	--	--
Educationally deprived children	--	--	1,049.1	1,507.4	1,760.8	3,005.6	3,041.0	3,167.9
Bilingual education	--	--	--	26.0	79.5	156.4	138.1	138.1
Education for the handicapped	0.7	2.5	16.8	67.9	152.1	734.5	1,068.6	1,110.2
Emergency school aid assistance	--	--	7.4	92.2	204.0	304.5	0.0	0.0
Other programs[b]	43.4	78.1	521.9	642.0	763.5	1,046.9[c]	1,447.5	1,612.1
Block grants	--	--	--	--	--	--	442.2	450.7
Total	400.3	511.9	2,432.6	3,511.8	4,178.7	6,780.9	7,335.8	7,782.7

Sources: Education Times, December 6, 1982, January 3, 1983; Department of Education. National Center for Education Statistics, Digest of Education Statistics (Washington, D.C.: Government Printing Office, 1982).

[a] Estimated portion of Consolidated Program Expenditures originally funded under NDEA.

[b] Includes educational research projects, Office of Education salaries and expenses, educational personnel training (excluding higher education), educational television and broadcasting, follow-through programs, Indian education, rehabilitation services, research on the handicapped, expenditures under Consolidated Programs for purposes other than those of NDEA, and public libraries.

[c] The Office of Education was merged into the new Department of Education in May 1980. Therefore, the salary data for 1980 may not be strictly comparable with those for previous years.

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Table I-3 Constant Dollar[a] Federal Expenditures for Elementary- and Secondary-Education Programs, 1960-83

Program	Fiscal Year							
	1960	1964	1968	1972	1976	1980	1982	1983
	(in millions)							
Vocational education	110.8	127.5	532.4	723.3	753.4	572.6	551.8	611.4
Federally impacted areas	632.8	782.0	486.0	1125.3	763.6	690.6	339.2	356.3
NDEA	129.4	99.4	158.1	82.9	37.0	26.2[b]	—	—
Educationally deprived children	—	—	2188.8	2724.7	2245.1	2528.1	2260.9	2351.2
Bilingual education	—	—	—	45.1	101.4	131.6	102.7	102.5
Education for the handicapped	1.7	5.8	35.1	117.8	193.9	617.8	794.5	824.0
Emergency school aid assistance	—	—	15.4	160.0	260.1	256.1	—	—
Other programs[c]	106.4	182.7	1088.9	1113.9	1070.9	880.6	1076.2	1196.5
Block grants	—	—	—	—	—	—	338.7	334.5
Total	981.1	1197.8	4504.7	6093.0	5425.4	5703.6	5464.0	5776.4

Sources: Education Times. December 6, 1982, January 3, 1983; Department for Education Statistics. Digest of Education Statistics (Washington, D.C.: Government Printing Office, 1982).

[a] 1979 = 100.

[b] Estimated portion of Consolidated Program Expenditures originally funded under NDEA.

[c] Includes educational research and projects, Office of Education salaries and expenses, educational personnel training (excluding higher education), educational television and broadcasting, follow-through programs, Indian education, rehabilitation services, research on the handicapped, expenditures under Consolidated Programs for purposes other than those of NDEA, and public libraries.

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fiscal summaries of the federal role and emphasize how "junior" the federal partner remains. In Table I-1 the overall contribution of each level of government to American public education over the past fifty years is set forth. While the federal percentage doubled over the two decades between 1960 and 1980, even at the end of this period its fiscal contribution covered only 9.8 percent of the current expenditure of the country's elementary and secondary public schools. The increase in the percentage paid for by state (as opposed to local) governments over these same two decades was in fact significantly greater than the increase in the federal share.

When one examines in Tables I-2 and I-3 the educational programs for which federal dollars are allocated, one also sees how specifically the federal government directs its attention. Instead of providing general support for American schools, the federal government concentrates its focus on programs for the educationally deprived and the handicapped, and in support of such particular activities as vocational education, school desegregation, and school systems affected by a pronounced federal presence (such as a military installation). Whatever the merits of each of these programs--and it is to such questions that we turn in the ensuing chapters--it is obvious even at this point that federal involvement is specialized and in many ways quite peripheral to the mainstream tasks of American schools. If it cannot be credited for any educational renaissance, neither can it be criticized for the bulk of the difficulties and problems school systems face.

Theories of Federalism

Although the federal role is limited, it still deserves careful study and analysis, for even though federal dollars account for less than 10 percent of total expenditures, they still amounted to nearly eight billion dollars in 1983. Some have claimed that these dollars are the tail that wags the educational dog. By regulating, auditing, and emphasizing special programs, the federal government is said to have intruded into the heart of the country's educational processes.

As important as it is to assess these claims, our study is not limited to an analysis of educational policy. Findings from our study of educational programs have broad implications for our understanding of federalism in general. Indeed, our research enables us to synthesize two theories of federalism which until now have offered competing explanations for the pattern of intergovernmental relations in the United States.

Two theories of federalism, the marble-cake theory developed by Morton Grodzins, Daniel Elazar, and others, and implementation theory, most forcefully developed by Pressman and Wildavsky and by Martha Derthick,[8] have had significant influence on federal policy decisions. The marble-cake theory provided the intellectual justification for the massive expansion of grant-in-aid programs as part of the Great Society. Implementation theory furnished the underlying rationale for current Reagan proposals to replace categorical federal programs with block grants, to cut federal funding, and to redistribute functions so that policy domains become the exclusive preserve of one or another level of government.

Marble-Cake Theory

With the passing of older "dual sovereign" ideas about the federal system, the theory of federalism in the 1960s was dominated by the concept of intergovernmental sharing and exchange. Using the metaphor of the "marble-cake," Morton Grodzins argued that virtually all governmental activities are affected by decisions taken at national, state, and local levels; power was both widely diffused and widely shared. Its overall pattern was marked more by cooperation and mutual assistance than by confrontations between two sovereigns. Because governmental interrelations were characterized by endless processes of sharing and exchange, the resulting formation had, like a marbled cake, no discernible structure. The metaphor diffused rapidly in the literature of federalism, partly because it fitted nicely with the process-oriented focus of the political science discipline as a whole,[9] and it seemed to give point and direction to descriptive studies of intergovernmental relationships.

Consistent with this view of federalism, Great Society reforms were largely executed through state and local governments. Because any level of government could undertake nearly any task, it was felt that one could make federalism "creative" by lubricating it with federal dollars; not surprisingly, supporters drew upon the marble-cake theory to justify and rationalize the administrative mechanisms they adopted. Federal aid to states and localities increased from $7.7 billion in 1962 to $41.7 billion in 1973, and from 1.9 percent of the GNP in 1960 to that of 3.4 percent in 1975.[10] Great Society programs were "marbled" programs, formulated and financed by departments at the federal level, but administered and executed by state and local governments.

But even though this "marble-cake" analogy had its appeal, comparing federalism to a structureless piece of pastry is non-theory. It suggests flux, change, and complexity when the purpose of theory is to identify simplicity, pattern, and order. The metaphor directs attention toward individuals, groups, and processes when the essence of federalism is a stable relationship among structures of government.[11]

There was nonetheless one intriguing element in Grodzins' analysis that, though never quite elevated to a central theme, stressed the way in which professional expertise lubricated the "marbled" federal machinery. He emphasized how common professional values and ideals facilitated communication among city policemen, county sheriffs, state troopers and the Federal Bureau of Investigation. The Forest Service naturalists found it easy to establish working relations with state and county park officials. Also, intergovernmental relationships on highway issues were eased by the common background of the engineers who at all levels of government bore responsibility for road design. The federal government's own stress on professional expertise, moreover, encouraged a movement toward greater professionalism among state and local officials. The federal system worked, it seemed, in part because individuals within specific functional areas had developed a common set of commitments and orientations that softened institutional conflicts.

Implementation Theory

Marble-cake understandings of federalism were either ignored as irrelevant or discarded as antiquated by a later generation of political analysts. More often than not, these new scholars, instead of imbedding their research in federal theory, hardly mentioned the prior tradition. But even though they ignored "marble-cake" interpretations, their findings dramatically reversed the conventional understanding of the manner in which grant-in-aid programs operated. Instead of finding inter-governmental cooperation, they identified institutional conflict. Instead of professionalism, they found parochialism. Instead of communication and exchange, they saw organizational complexity and confusion. The new catchword for the study of intergovernmental relations was no longer "marble-cake" but "implementation."

Three factors that contributed to the difficulties of implementation were stressed by these writers. These were bureaucratic isolation, organizational complexity and constituency influence. First, intergovernmental relationships were marked by the isolation of policy-making in the hands of professional bureaucrats.[12] Administrators at federal, state, and local levels came from a similar background; they had similar values and orientations; they shared a common language; and they had a common distaste for the interference of lay outsiders. Insider dominance made lay involvement in policy innovation difficult, if not impossible. For most of those writing in the implementation tradition, bureaucratic control did not have the advantages of the professionalism that Grodzins identified; instead, bureaucrats seemed to have little commitment to the public interest or to the well-being of those for whom the program was ostensibly designed. Unfortunately, they had their own self-serving interests and parochial orientations which were to be defended against proposed reforms at almost any cost.

Secondly, the implementation literature emphasized the vast number of public and private agencies, with overlapping jurisdictions and competing clientele, that must be consulted in a federal system. Any one of these entities could act as a "veto group" frustrating the execution of policy--or at least delaying its implementation until the original purposes were substantially modified. For example, Pressman and Wildavsky analyzed the problems that beset the Economic Development Administration (EDA) when it sought to improve minority employment opportunities in Oakland through the funding of a number of public improvement projects in that city. After beginning with high hopes, large projected budgetary outlays, and the appearance of cooperation on the part of both federal and local officials, EDA was frustrated by numerous delays until, in the end, there was almost no detectable progress toward the original objective. The problems of EDA were thus the problems encountered by any government program in a pluralist political system, where many participants influenced policy. Differences had to be resolved through compromise, plans had to be delayed, and policies had to be modified. Given the complexity of the federal system, policy-makers must either accept long delays and policy reversals or develop much more simple programs.

Finally, while bureaucratic control and organizational complexity are factors that seem to affect all governmental programs in all localities, constituencies introduce variations into the federal system. National programs depend on the specific local political contexts in which they are embedded. One of the best recent studies of intergovernmental relations uses constituency analysis to interpret the processes by which a program, originally planned to provide low-income housing through distribution of surplus federal land, failed to build any new homes for the poor at all.[13] Derthick emphasized the differences in the value commitments of national and local governments and then related them to their differing constituencies. She concluded that in many cases the dreams held by Washington officials foundered on local political realities.

Implementation theory was no less policy influential than its predecessor. Initially, the Nixon and Ford administrations, and, more recently, the Reagan administration called for a more simplified federal system. Existing programs were criticized for their inefficiency and ineffectiveness and for their administrative complexity. In short, the new implementation theories are having as substantial an impact on public policy today as the old marble-cake ideas had on the grant-in-aid programs of the Great Society.

Yet the new implementation theory, while influential in both academic and popular circles, has its own theoretical weaknesses and empirical limitations. For one thing, it assumes that the parochial loyalties of traditional bureaucrats are unchanging. It ignores the possibility that new federal programs may generate their own cadre of professionals, eagerly committed to the objectives of the new program. Secondly, implementation theory finds complexity in federal programs without showing that alternatives are more simple. Many studies focused on the early years of a new program. When solutions to problems were not found immediately, it was assumed that they would never be found. Thirdly, the studies exaggerated the number of times national and local constituencies would be found in conflict with one another.

Above all, the new implementation theory was as undifferentiated as the old marble-cake theory. Where Grodzins and his students found few areas of government activity where conjoint activity could not be undertaken, implementation theory reached almost exactly the opposite conclusions. But if everything is complex, conflictual and confusing, how has the federal government managed to keep its grant-in-aid programs alive at all? Are there not differences in the way in which policies are implemented? What accounts for these? Methodologically, have the implementation studies allowed a sufficient amount of time to pass before reaching conclusions about their impact? Many of the most influential studies were undertaken in the first two or three years of statutory enactment, and many of the difficulties encountered may be attributable more to the fact that the program was new than to the fact that it was federal. Over time, programs may develop more established relationships, and new professionals devoted to program objectives may appear in the policy system. These professionals may provide the lubrications for the new federal policies in the same way Grodzins found such grease on the established programs of earlier decades.

Toward a More Differentiated Theory of Federalism

Our analysis, by synthesizing these two perspectives, develops a theoretical and empirical basis for a more differentiated view of the federal system. The analysis is rooted in two basic distinctions: the extent to which a particular federal policy is focused on redistributive as distinct from developmental objectives; and the extent to which federal policy is being administered through an autonomous government agency where professional identifications influence policy implementation. From these two variables, we hypothesized three patterns of intergovernmental relationship.

First, we found both that intergovernmental relations are more complex and more conflictual, and that policy implementation is less complete, when programs are more redistributive in their goals. As Peterson found in a previous study of urban politics,[14] local communities are more constrained than the federal government by the environmental context in which they operate, because they compete with one another for export markets. Local governments cannot regulate the flow of productive resources--labor and capital. Unlike nation-states they cannot establish tariff walls or control human migration. Thus, local governments attempt to maximize their communities' economic prosperity within numerous constraints. Without economic growth, the local government faces a stable or shrinking fiscal base. Accordingly, local governments are most likely to promote the types of policies which enhance their economic well-being and to avoid policies that have negative effects upon the local economy.

Because of the competitive context in which local communities operate, one can usefully distinguish between *developmental* and *redistributive* policies. *Developmental* policies are those public programs which enhance the economic position of the city in its competition with other areas. These policies strengthen the local economy, enhance the local tax base, and generate additional resources that can be used for the community's welfare. By contrast, *redistributive* policies are those programs which benefit low income residents but at the same time may negatively affect the local economy by attracting the needy and discouraging entry of productive resources.

One can roughly calculate whether a policy is redistributive or not by estimating whether those who pay for the service in local taxes are those who are receiving the services. If there is no overlap at all, such as in welfare assistance to non-taxpayers, it is a case of pure redistribution.

Thus, in order to maintain or improve the city's fiscal base, local governments are constrained to place economic development objectives ahead of any concern they might have for social equality. Since the federal and the local governments share an interest in developmental goals, federal regulations on developmental policies are relaxed and local governments are given more discretion over the use of federal funds. On redistributive policies, on the other hand, federal officials write tighter regulations, conduct more evaluations, and discipline evasive action locally in order to make sure that local governments do not allocate federal dollars for non-redistributive purposes.

Second, within the redistributive realm, we also found greater intergovernmental conflict and less effective policy implementation where local institutions were less autonomous from political and economic elites. Where professionals were in control of the redistributive policy, we found increased harmonization of national and local objectives. Grodzins argued that intergovernmental relationships were primarily marked by a professionalized policy-making process. Administrators at federal, state and local levels develop common professional interests and aspirations. These cohesive groups of workers come to produce "a guild-like loyalty that transcends their identification with the government which happens to pay their salary."[15] Administrative cooperation among various levels of the federal system is reinforced by the merit system, technical information exchange, and professional conferences. On the other hand, a more politicized administration is less responsive to federal guidelines, because locally elected leaders will attempt to use federal resources for their own political and economic objectives. Federal resources intended for a legally defined group of eligibles may be seen as potentially valuable material incentives for electoral support.

Third, within the developmental realm, we found greater federal-local cooperation and harmony and more complete policy implementation where local institutions were more politicized, and professional influences less strong, for reasons that Grodzins did not consider but which are emphasized by case studies on urban politics. A more politicized institution is often more effective in mobilizing other public and private sector engagement in developmental programs. Mayor Richard Daley of Chicago, for example, was extremely successful in coordinating the interests of the machine, the professional bureaucrats, and the downtown business sector.[16] Richard Lee of New Haven, an equally consummate politician, was able to mobilize community support for urban renewal because he exercised strong leadership over his party, public agencies, and among business elites.[17]

While elected officials stand ready to transform the achievement of development goals into political gains, reformed institutions controlled by professional elites tend toward insularity and isolation from other institutions and sources of political support. Since professionals have fewer incentives to mobilize outsiders and to change standard operating procedures, politicized agencies are better able to use federal resources to pursue developmental objectives.[18] Also, in the absence of tight regulations and narrowly-defined objectives, federal officials are usually more willing to accommodate the concerns of local political leaders than those of professional bureaucrats. As a result, federal developmental objectives are more likely to assume a central place in the local agenda when local political and economic elites are more involved than when development policy is left in the hands of autonomous professionals.

Plan of the Report

In subsequent chapters we shall elaborate and test these hypotheses by examining the way in which six major federal education policies were implemented in four major cities. We shall also show how federal relations in education compare and contrast with federal relations in two other arenas—health and housing—where Great Society programs proliferated. Chapter II describes the political and legislative context in which three developmental programs in education--vocational education, impact aid, and the National Defense Education Act--and three redistributive programs--compensatory education, special education and bilingual education--were enacted. Chapter III describes the economic, fiscal, and political characteristics of the four school districts—Baltimore, Milwaukee, San Diego and Dade County (of which Miami is a constituent component), Florida—in which we observed the implementation of these programs.

Part II develops the contrast between the developmental and redistributive programs. Chapter IV describes the ease with which local governments respond to federal initiatives that encourage community development. Chapter V shows that the difficulties are greater with respect to redistributive programs but that even in these instances conflicts are usually moderate. The major exception to this pattern is discussed in Chapter VI, where federal policy must pick its way through the political thicket that the desegregation controversy has erected.

Part III turns to the mechanisms of adaptation that have eased the processes of policy implementation. Chapter VII shows how new governmental initiatives attract the interest and enthusiasm of a new professional cadre whose program commitments transcend governmental boundaries. The opposite side of the coin is presented in Chapter VIII, where the difficulties of implementing redistributive programs in the absence of professionals are elaborated (but where it is also seen that a quite contrasting pattern emerges in the developmental arena). The findings from the study are summarized and synthesized in the concluding chapter.

Footnotes

1. Anne Campbell, as quoted in "How Should Schools be Ruled?" _Educational Leadership_ 38 (November 1980), p. 103.

2. David Savage, "Education of a New Department," _Educational Leadership_ 38 (November 1980) p. 117.

3. J. Myron Atkin, "The Government in the Classroom," _Daedalus_ 109 (Summer 1980), pp. 85-97.

4. Albert Shanker, quoted in "How Should Schools Be Ruled?" _Educational Leadership_ 38 (November 1980), p. 105.

5. Joseph M. Cronin, "The Federal Takeover: Should the Junior Partner Run the Firm?" _Federalism at the Crossroads: Improving Educational Policy-making_ (Washington, D.C.: Institute for Educational Leadership, 1976), p. 2.

6. Ronald Reagan, quoted in "Reagan Urges 3R's + P," _Chicago Tribune_, March 13, 1983.

7. U.S. Office of Management and Budget, _Fiscal Year 1982 Budget Revisions_ (Washington, D.C.: U.S. Government Printing Office, 1976), p. 136.

8. Morton Grodzins, _The American System_, ed. by Daniel J. Elazar (Chicago: Rand McNally, 1966); Daniel J. Elazar, et al., _Cooperation and Conflict: Readings in American Federalism_ (Itasca, Illinois: F.E. Peacock, 1969); Jeffrey Pressman and Aaron Wildavsky, _Implementation_ (Berkeley and Los Angeles: University of California Press, 1973); Martha Derthick, _New Towns in Town: Why a Federal Program Failed_ (Washington, D.C.: Urban Institute, 1972).

9. David Truman, *The Governmental Process* (New York: Alfred Knopf, 1951); J. David Greenstone, "Group Theories," in *Handbook of Political Science* II, eds. Fred Greenstein and Nelson Polsby (Reading, Mass: Addison-Wesley), pp. 243-318.

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11. Paul E. Peterson, *City Limits* (Chicago: University of Chicago Press, 1981).

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14. Paul E. Peterson, *City Limits* (Chicago: University of Chicago Press, 1981).

15. Morton Grodzins, *The American System*, ed. by Daniel J. Elazar (Chicago: Rand McNally, 1966), p. 71.

16. Edward C. Banfield, *Political Influence* (Glencoe, Illinois: Free Press, 1961); Samuel Gove and Louis Masotti, eds., *After Daley: Chicago Politics in Transition* (Urbana, Illinois: University of Illinois Press, 1982).

17. Robert Dahl, *Who Governs?*, (New Haven: Yale University Press, 1961); Raymond E. Wolfinger, *The Politics of Progress* (Englewood Cliffs, New Jersey: Prentice-Hall, 1974).

18. J. David Greenstone and Paul E. Peterson, _Race and Authority in Urban Politics_ (New York: Russell Sage, 1973), Ch. 1.

Chapter II

THE FORMATION OF SIX EDUCATIONAL POLICIES

The six largest federal education programs of the 1970s were divided equally between those with developmental and redistributive emphases. The developmental programs were all established at a time when federal involvement in education was especially limited and when issues of equity seldom appeared on the national political agenda. The redistributive programs have been enacted since 1965, as part of the Great Society's effort to redress social ills. Since the developmental programs evolved over several decades, one must begin with a review of the processes by which the federal government entered the educational arena.

A number of factors inhibited a federal role in education in the years prior to 1965. For one thing, the Tenth Amendment to the Constitution reserved to the states all powers not granted to the national government. In the nineteenth century, this was understood to preclude congressional action in education. When Congress acquired an interest in educational policy, it needed to find a constitutional peg on which to hook any proposed program. By and large, this hook has been the Constitution's "taxing and spending" clause. When local school districts accept federal grants-in-aid, Congress has the authority to issue instructions to guarantee their proper use. Generally speaking, even today federal regulation in education is appropriate only insofar as it ensures the appropriate use of federal dollars or upholds due process or equal protection provisions of the Fourteenth Amendment.

The strong political opposition to federal control of public schools has been a second and more enduring reason for the limited federal role in education. After World War II, when legislation was proposed for financial aid to schools, it was strongly opposed by a broad coalition of conservative interest groups. The Chamber of Commerce, the National Association of Manufacturers, the American Legion and other veterans' groups, and patriotic associations such as the Daughters of the American Revolution were steadfast in their commitment to maintaining local control of schools. To do otherwise, they claimed, was "unnecessary, unreasonable, unsound, and dangerous to the preservation of local initiative and vitality."[1]

Both Republicans in Congress and Republican candidates for president shared at least some of the concerns of these groups. While President Dwight Eisenhower proposed federal aid for the purpose of school construction in 1955, and Richard Nixon took this same position while campaigning in 1960, both men, and many of their Republican colleagues on the Hill, believed that federal support for the current expenses of local school districts would endanger local control.[2] As late as 1960, the Republican platform asserted that "any large plan of federal aid to education, such as direct grants for teachers' salaries, can only lead ultimately to federal domination and control of our schools."[3]

If general aid was not forthcoming in these early years, there were nonetheless three special aid programs—all developmental in character--that survived the gauntlet of group controversies: vocational education, the National Defense Education Act, and Aid to Federally Impacted Areas. With the passage of the

Elementary and Secondary Education Act (ESEA) in 1965, the situation changed markedly. Federal involvement increased, based on the premise that local school districts had failed to adequately support equality of educational opportunity. The federal government assumed the responsibility, not for just assisting local school districts, but for helping groups in the population that had been inadequately served. The three largest and most significant of the redistributive programs enacted in this new climate were Title I of ESEA, a comprehensive education program for the handicapped, and assistance to school districts undergoing the processes of school desegregation. In this chapter we shall describe the legislative processes by which the three developmental and the three redistributive programs were enacted.

Developmental Programs

The politics of developmental program enactment and maintenance in education is characterized by: policy innovation in response to what is seen as an urgent national need; minimal federal direction or control of program development (aid given was in fact, if not in form, a block grant); and maintenance of specialized group support to perpetuate the program after the initial sense of national crisis had passed. Examination of the three programs--vocational education, NDEA, and impact aid--reveals this general pattern.

Vocational Education. Federal support of vocational programs was initiated in the midst of widespread national concern about America's capacity to compete effectively with the growing prowess of Germany. First passed in 1917, just prior to the country's entry into World War I, federal support continued on a modest scale until the early 1960s, when it was substantially revised and enlarged in response to increasing distress over rising unemployment among minority youth in urban areas. Throughout its history, the federal vocational education program has been marked by weak direction from the federal government and close integration with state and local programs. For more than two decades prior to World War I, many business, labor, and professional educators urgently demanded vocational education.[4] But while there was nearly unanimous support for the concept of vocational education, opinion was divided as to whether it should be separate from the public schools (as many business leaders believed) or be an integral part of a comprehensive high-school program (as was preferred by labor leaders and public school officials). In the face of the growing German threat, a compromise was finally reached--largely on the terms of public school officials—and the Smith-Hughes Act was passed in response to what the congressionally established Commission on National Aid to Vocational Education expressed as a "great and crying need" for vocational education.[5]

This "great need" was initially met by annual federal expenditures of no more than $1.5 million, but the program grew steadily during the depression and war years until, after World War II, annual appropriations reached $36 million. Levels of federal fiscal support escalated rapidly after 1960, with the New Frontier-Great Society's emphasis on education. Support for vocational education programs increased in current dollars from $45 million in 1960 to $417 million in 1972 to $824 million in 1983. Even when calculated in constant dollars (see Table I-3), these fiscal increments are dramatic for a program that previously had been a stable, routinized part of the federal system.

In its first decades, federal support to vocational education maintained a strong rural emphasis. Federal funds, which were allocated specifically for agricultural, trade, home economics, industrial, and teacher-training programs, were disproportionately distributed to rural areas.[6] This rural orientation helped sustain a base of political support for the program, despite vicissitudes of partisan allegiance and economic change. When both Herbert Hoover and Franklin Roosevelt proposed cuts in the program as part of their cost-cutting packages in the early 1930s, Congress stoutly resisted.[7] Even while the powerful chairman of the House Education and Labor Committee, Graham Barden of North Carolina, was undermining congressional consideration of general education assistance in the 1950s, he was a consistent supporter of vocational education.[8] Over the years, the AVA became recognized as one of the most powerful educational interest groups in Washington.[9] As one of its spokesmen observed:

> AVA has a reputation as being pretty effective, and it has done that through having its members pretty close to the important folks in Congress. It was a southern oriented, rural tradition kind of thing that went along real well with the United States Congress where the positions of power were held by southern Congressmen with long seniority.[10]

The politics of vocational education began to change in the early 1960s with the coming to power of a more urban-based coalition. Senator John Kennedy had promised the AVA that he would support increased aid for vocational education during his election campaign, but after he became president, his proposals to Congress—which became the basis for the Vocational Education Act of 1963—were not warmly received by the AVA or its constituent groups. The legislation, which was passed in the torrent of legislative activity that immediately followed Kennedy's assassination, attempted to shift the focus of vocational education from serving the needs of rural, agricultural areas toward meeting the needs of urban areas, which suffered from rapidly increasing youth unemployment. Rather than using the old occupational categories as the basis for the distribution of funds, the new legislation required that monies be used for vocational training that "is realistic in light of actual or anticipated opportunities for gainful employment."[11] In addition, the requirements for the distribution of funds within states were rewritten to encourage the redirection of resources to urban areas. Finally, the act specified that programs be "designed to meet the special vocational education needs of youths, particularly youth in economically depressed communities who have academic, socioeconomic or other handicaps."[12] When the act was amended in 1968 and again in 1976, Congress elaborated upon its interest in training students for occupations where market demand was growing; in concentrating resources on the needs of special groups, such as women, the handicapped, and minorities; and in using funds to help those urban areas where unemployment was high. In the 1976 amendments, Congress called for a variety of planning and evaluation mechanisms, as well as a complex system of reporting, to ensure that states developed programs according to congressional intentions. Many vocational educators did not embrace these changes in program orientation, but the "vocies," as the establishment is commonly called, nonetheless benefited from the greatly increased level of federal assistance.

National Defense Education Act. The National Defense Education Act (NDEA) Title III program, passed in 1958, has been the only major federal government effort whose exclusive goal was to improve the academic quality of public school education. Its development and implementation is of special interest, inasmuch as the quality of academic education is once again a matter of national concern. The NDEA, like the vocational education program, was expected to enhance the productive capabilities of the nation. The administration of Title III, like that of vocational education, minimized federal direction and allowed a maximum of local discretion in the funding of elementary- and secondary-school programs. The NDEA differed from the vocational education program, however, in that it failed to develop a well-organized constituency that could lobby effectively on its behalf. No group comparable to the American Vocational Association was ever organized to fight for a continuation and expansion of NDEA. Neither scientists, mathematicians, teachers, school boards nor administrators took the cause of the NDEA's Title III as their own. As a result, the purpose of the program became diffused, the nature of the aid became essentially that of a block grant, and the program was consolidated with other federal aid programs, first in 1972 under President Nixon's block grant and then again in 1981 at President Reagan's instigation. The difficulty that the NDEA had in surviving as a distinct, categorical program raises the question of whether there is substantive or political justification for a federal program if it has no other purpose than to do what local school districts would do in any case. Experience suggests that federal programs may need goals and constituencies that go beyond those of local school boards and school administrators if they are to play a significant and enduring role in American education.

While the vocational education program concentrated on supplying manpower for the "common" occupations, the NDEA was geared toward the "uncommon" ones. Passed at a time when the Soviet launching of "Sputnik" raised questions about the scientific capabilities of the United States, the legislation responded to curricula for science, mathematics, and foreign languages. While much of the legislation focused on the needs of higher education, Title III authorized funds for the purchase of equipment, supplies, and minor remodeling for elementary and secondary schools.[13] Given the fanfare with which it was enacted, the middle-class constituency it supposedly served, and its apparent relevance to the nation's defense capabilities, it is surprising that NDEA did not expand and develop over the next two decades in the way so many other educational programs did. While the NDEA allocation grew from less than $53 million in 1960 to more than $75 million in 1968, it declined in subsequent years, falling to $29 million in 1976 and finally being consolidated with other programs in 1981. (See Tables I-2 and I-3).

At the same time that expenditures fell, the purposes of NDEA became increasingly diffuse. Initial support was limited to programs in science, mathematics, and foreign languages, but in 1964 Congress added programs in history, civics, geography, English, and reading; programs in economics, the arts and humanities, and even industrial arts were included in 1965. Thus, fund distribution was altered dramatically between the early 1960s and the mid-1970s. As shown in Table II-1, the percentage of funds allocated for the sciences dropped from 74 to 18 percent, while reading and social studies, which received nothing in early years, gained more than 40 percent of NDEA monies in 1976. By that time, almost any subject could have been said to be important for improving the defense capabilities of the nation.

This diffusion in its purpose made NDEA ripe for consolidation with other educational programs. Although Congress generally resisted the block-grant proposals of the Nixon administration, it agreed to consolidation when program purposes could not be clearly articulated and when supporting constituencies were weak. Since NDEA funding helped purchase equipment and supplies for a wide variety of school subjects, there was little justification for its separate existence, and, therefore, it was lumped together with such programs as library services, guidance and counseling, and general aid to state departments of education.

NDEA's limited fiscal growth and diffusion of purpose were in part due to the fact that it lacked a well-defined, supportive political constituency. The scientific community was more concerned with sustaining federal support for ongoing research than with training the next generation of scientists. Colleges and universities were abandoning their language requirements, thereby weakening the demand for foreign language instruction at the secondary-school level. Since NDEA funds were not to be used for teachers' salaries, neither the National Education Association nor the American Federation of Teachers had a major stake in the program. Its only constituencies were the school boards, school administrations, and state education departments that used NDEA monies to purchase materials and equipment.

While these local school interests supported NDEA, they also sought to minimize its restrictions and to maximize the range of activities that could be funded. In the early 1960s, when NDEA was still the major new federal program in education, it received only mixed local reviews. As a scholar noted at the time, "Both the Impacted Areas Act and the NDEA had been supported with warmth and enthusiasm by many professional educators, public officials, and interested laymen. However, both these acts clearly held second place to [a] more general bill. . . ."[14] The American Association of School Administrators faulted the NDEA for being "cumbersome, expensive to administer, characterized by too much red tape, and, in several respects, [exerting a level of] control and federal direction over the public school curriculum which is unsound in terms of national and state policy."[15] In the words of one superintendent who participated in a national round table on the program, "The only way we can have federal aid without federal control is to grant a lump sum to each state and let the educational authorities in each state determine how they're going to spend it. . . . I'm opposed to earmarking, period!"[16] Views such as these were the basis for insistence by the Council of Chief State School Officers that NDEA be broadened to include many more subjects than just science, mathematics, and foreign languages.

But even though the program became, in effect, a block grant for local school districts, it seemed to have lost its sense of purpose and, with weak political support, was phased out altogether in 1981. One possible conclusion is that, if a federal program that has no other purpose than to do what local school districts would do in any case, it has little reason for being. All it accomplishes is to add to the administrative complications of state and local officials. Any federal effort to enhance the quality of academic programs, therefore, must develop identifiable goals and constituencies that clearly supplement those of local school districts.

Aid to Federally Impacted Areas. If NDEA disappeared, in part, for lack of a definable focus, the same might have been expected of the federal "impact aid" program. Of all the categorical programs currently authorized by Congress, it is the one that comes the closest to being a "block grant." Impact aid monies can be used by local school districts for any educational purpose, and the regulations governing this program are minimal. With its purpose so poorly defined, the program has periodically encountered political difficulties. Indeed, virtually every president has questioned the value of the program and has sought to cut its appropriation. Only strong lobbying efforts in Congress by those school districts that are the program's primary beneficiaries have enabled impact aid to survive.

Impact aid was created as a temporary program during World War II to assist school districts overwhelmed by the arrival of military personnel in areas of the country that were primary centers of wartime activity. It was reestablished and its scope broadened in 1950, when two subcommittees of the House Committee on Education and Labor jointly reported that the federal presence was creating severe burdens in many other school districts. President Harry Truman proposed, and, shortly after the outbreak of the Korean War, Congress enacted, legislation to assist such districts. In separate pieces of legislation, aid was provided for both current expenses and for the construction of additional school facilities, particularly needed at that time because of burgeoning school enrollments. Two different levels of assistance were established: one--the higher rate--was based on the number of pupils in a school district whose parents both lived and worked on federal property (i.e., in most cases, children of military personnel); the other--a lower rate--was based on the number of children whose parents either lived or worked on federal property.

The president and the Office of Management and Budget have found little justification for continuing the impact aid program, as it can no longer be said that federal activities constitute a "burden" for local school districts. To the contrary, many states and localities eagerly bid for the location of a new space agency, defense installation, or federal regional facility, as the establishment of a federal program in a community generally improves the area's employment opportunities, provides a "shot in the arm" for the local economy, and increases local property values and tax revenues. Provision of impact aid to local schools is only an added benefit, given to those seemingly least in need of it. As President Kennedy observed when he reluctantly approved the extension of impact aid in 1961, the program:

> . . . gives more money to more schools for more

> years than either logic or economy can justify. This Administration recommended a reduction in the cost of this program, an increase in its eligibility requirements and local participation, its extension for only one year instead of two, and its eventual absorption in a general aid-to-education program. The rejection of all these requirements highlights the air of utter inconsistency which surrounds this program.[17]

Despite repeated presidential resistance, the legislation has remained popular in Congress, which has been lobbied assiduously by the National Association of Impacted Districts. Over 4,000 school districts--located in virtually every congressional district--have become beneficiaries of impact aid.[18] During the past three decades, program eligibility has gradually been expanded. In 1956, for example, children of military personnel on active duty away from home were made eligible; in 1958, restrictions on monies to larger school districts were eased, Indian children became eligible, and any child with a parent in federal employ was counted for purposes of aid distribution. In 1963, Washington, D.C., schools became beneficiaries; in 1965, construction assistance was made available to those areas suffering a "major disaster"; in 1967, the definition of "minimum school facilities" was broadened; in 1970, children living in federally subsidized, low-rent housing were included in the program. In 1974, and again in 1978, Congress attempted to organize these changes into a systematic statement on eligibility, but ultimately extended the benefits further and introduced new complexities into eligibility requirements.

All of these complex, continuing extensions of eligibility by Congress helped sustain legislative support for the law. As shown in Table II-2, Congress appropriated hundreds of millions of dollars more for impact aid than the president requested in every year since 1970. Executive resistance did, however, place definite limits on its rate of growth. Table I-2 shows that, while many other educational programs were expanding, the impact aid program declined in constant dollars; under the Reagan administration, impact aid has been one of the most severely cut educational programs.

Summary. The vocational education, NDEA, and impact aid programs were survivors of an earlier epoch, when federal control was widely abhorred and civil-rights questions had only marginal political significance. Even in the early 1960s, when these programs distributed sizable funds--amounting to more than 4 percent of all educational expenditures--they had little more than a fiscal impact. There was minimal federal regulation and maximal local autonomy in the workings of each of these programs. As a result, they were well received by local school boards, school administrators, and state education departments.

Nonetheless, the very flexibility and autonomy with which school districts were allowed to operate these programs weakend them politically. The absence of any distinct federal goal or purpose and, correspondingly, the lack of any significant political constituency other than local school officials themselves left little justification for continuation of these programs. Clearly, state and local governments, which pay for more than 90 percent of the costs of occupational training and academic instruction, would continue to provide both vocational education and education in mathematics and science, even if Congress were to eliminate federal programs in these areas. And although the more than 4,000 school districts that have grown dependent on impact aid would have to find alternative sources of fiscal support without assistance from this program, it is hardly clear that most would suffer any greater hardships than those endured by the thousands of school districts that are not said to be "impacted."

Federal programs without a clear federal purpose may survive either through sheer inertia or through the building of alliances on Capitol Hill. But since these programs lack luster and élan, in the long run they tend to wither away. For example, the NDEA has disappeared altogether, and impact aid dollars have been cut back dramatically. The vocational education program has not suffered such serious setbacks, but its constant dollar funding has declined. However mild in the restrictions that they imposed on local use, these types of programs have not proven politically irresistible in the long run.

Redistributive Programs

The fate of the two largest redistributive programs—compensatory and special education—has been quite different. They have survived even during the Reagan years in part because they supplemented local educational practices. The particular groups served by these programs have vigorously fought for their continuation, and legislative allies have faithfully supported the cause even when counter pressures have been intense.

Aid to desegregated districts, on the other hand, has been eliminated as a distinctive federal program. Always a compromise between left and right, Democrats and Republicans, it never secured the intense group support necessary to sustain it over the long run.

It is to the legislative politics and programmatic thrust of these policies that we now turn.

Compensatory Education. ESEA was the first major piece of legislation signed by President Lyndon Johnson after his landslide election in 1964. Passed by Congress at the height of national attention to civil rights, poverty, and social reform, the legislation expressed fundamental concern for the needs of minorities and the poor. In its opening statement of purpose, ESEA promised to "expand and improve . . . education programs . . . which meet the special needs of educationally deprived children."[19] The major section of the law, Title I, allocated funds to school districts with concentrations of children from low-income families; these funds were advanced in response to local initiatives. This program has remained the central pillar of federal education policy. Since its initial passage, the law has been reauthorized three times (in 1970, 1974, and 1978). But the additions and modifications made on these occasions generally did not detract from the law's original reform-minded purpose; instead, they tended to clarify and elaborate Congress's intentions. In 1981, many of these additions and modifications were replaced by more vaguely worded language such as had existed originally.

As shown in Table I-2, compensatory education programs account for nearly one-half the appropriations made directly by the Department of Education to elementary and secondary education. Since its initial passage, Title I has enjoyed fairly consistent fiscal support. While it did not expand as rapidly as its proponents initially hoped, Title I gradually increased, as measured in current dollars, and held its own in constant dollars after 1980, as shown in Table I-3.

The Office of Education had difficulty in securing compliance with its regulations in the first years of the program. Accordingly, with each reauthorization of ESEA, Congress developed more stringent guidelines designed to ensure closer adherence to its policy objectives. For example, Congress not only rejected the Nixon proposals for a more general educational aid program in 1974 but called for "independent evaluations" of programs that "measure the impact of programs and projects," and publication of "standards for evaluation of program or project effectiveness." In 1978, Congress went much further in specifying the ways in which Title I monies could be used. While many of the new provisions only concretized in legislative form regulations that had already become part of the Office of Education's standard operating procedures, they now had the force of law. Among the new provisions, the following were the most important:

1. Concentration of services. Title I-supported services provided to a school with a lesser concentration of students from low-income families were to be provided to all those schools with a greater concentration of students from such families.

2. Maintenance of effort. The local school district, drawing on state and local resources, was to maintain the level of fiscal support it provided to eligible schools in the penultimate fiscal year.

3. Supplementation, not supplantation, of services. Title I monies were to be used only for services in addition to those that would have been provided to participating students in the absence of a federal program.

4. Comparability of services. Students participating in the compensatory education program were also to receive services, from state and local sources, that were comparable with those offered to students who did not receive services under Title I.

5. Individualized plans. Districts were "encouraged" to develop for each child aided under the act an individualized plan agreed upon by the local educational agency, the teacher, a parent, and, when appropriate, the child.

6. Advisory council involvement. The advisory councils, consisting of parents of children receiving services under the act, were to have access to relevant information and opportunities to participate in a training program; the effectiveness of these advisory councils was to be evaluated.

7. Evaluations. The program was to be evaluated by independent contractors and by local school districts, according to a set of standard models supplied by the commissioner of education.

While exemptions to these rules were allowed in particular circumstances, these regulations, together with other requirements, defined much more clearly and explicitly than did the original legislation Congress's intention to concentrate ESEA monies on educationally disadvantaged pupils from low-income families.

Education for the Handicapped. While compensatory education represented a new departure in 1965, numerous programs for the handicapped have been proposed, and certain pieces of legislation on their behalf have been enacted since James Buchanan was president, some 125 years ago. But significant federal assistance for the education of the handicapped dates more recently to the Kennedy administration, which focused attention on the needs of the mentally retarded by creating a presidential panel to study the subject. Upon its recommendation, a variety of research centers, public facilities, and community mental health centers were authorized in 1963. Programs for the handicapped were also included within Title I of ESEA, vocational education programs, and an early childhood program. All of these programs, however, were modest in funding and intent.

But during the early 1970s, there were three significant legislative developments for the handicapped. The 1973 Rehabilitation Act stated that no qualified handicapped individual could be discriminated against in the receipt of any federal assistance solely on the basis of his or her handicap. Then, in 1974, Congress made clear its intent to include educational programs within the provisions of the Rehabilitation Act. It also inserted a variety of rights for handicapped children, including certain due process procedures, nondiscriminatory administration and evaluation of testing materials, and assurance of education in the least restrictive environment into the 1974 amendments to ESEA. But it was the 1975 legislation, the Education for All Handicapped Children Act (P.L. 94-142), that was most significant. In addition to broadening certain educational rights for the handicapped, it authorized major federal fiscal assistance to help achieve that end.

Legislative support for P.L. 94-142 was overwhelming in both houses of Congress, although the executive branch was critical. The Department of Health, Education, and Welfare opposed the proposal, asserting that the education of the handicapped was the responsibility of the states. President Gerald Ford warned that "its good intentions could be thwarted by the many unwise provisions it contains."[20] He contended that authorization levels were excessive and unrealistic and that numerous requirements would confound local service delivery. Nonetheless, he did agree to sign the bill, which committed the federal government to:

> . . . assure that all handicapped children have available to them . . . a free appropriate public education which emphasizes special education and related services designed to meet their unique needs, to assure that the rights of handicapped children and their parents or guardians are protected, to assist States and localities to provide for the education of all handicapped children, and to assess and assure the effectiveness of efforts to educate handicapped children.[21]

As might be anticipated from the detail with which these objectives were specified, the legislation was written neither by the Office of Education nor by the major educational interest groups. Special education had for decades existed somewhat apart from and as a stepchild of the mainstream of American public education. In part, this was due to the tradition of private charities providing services for the handicapped. It was also attributable to the limited services rendered to the handicapped through the public schools, and the resulting neglect and second-class citizenship that special educators experienced. As a result, the groups most influential in shaping legislation to benefit the handicapped were not members of the so-called educational establishment, but rather the Council for Exceptional Children, the National Association for Retarded Children, and other more specialized groups concerned with the needs of the handicapped. Since these groups were generally suspicious of what schools would provide for the handicapped of their own accord, those participating in the development of the legislation considered not only questions of broad purpose but what, under other circumstances, might have been regarded as administrative details.

Neither the pressures of these groups nor the warm support of Harrison Williams, chairman of the Senate Education and Labor Committee, who encouraged his staff to develop legislation for the handicapped, would have been sufficient to pass P.L. 94-142 without two major court decisions that greatly altered the states' responsibility for the education of the handicapped. In 1971, a federal court approved a consent agreement between the Commonwealth of Pennsylvania and the Pennsylvania Association for Retarded Children, which provided that the state may not deny any mentally retarded child a free public program of education and training appropriate to the child's capacity. In light of evidence presented in court proceedings, which showed that retarded children could benefit from education, the state agreed to disregard its laws excluding mentally retarded children from a public education and to provide training appropriate to each child's capacity.

The following year, a similar case was filed against the Board of Education of the District of Columbia, which also was decided in favor of the plaintiff. In this case, the school board had denied mentally retarded children admission to the public schools and, in other instances, had suspended and expelled pupils whom the school board felt it was unable to serve. The district court issued a "declaration of constitutional rights of all children, regardless of any exceptional condition or handicap, to a publicly supported education."[22] The court explicitly rejected the school board's claim that inadequate financial resources precluded the provision of services to the handicapped. According to the judge, "The District of Columbia's interest in educating the excluded children clearly must outweigh its interest in preserving its financial resources."[23] The court reasoned that, if the schools had insufficient financial resources, limitations on school programs should apply to all children and not bear in a particularly heavy way on the handicapped.

In light of these court decisions, and numerous cases pending in many other states, local school officials became increasingly concerned that special education costs would rapidly escalate. Since there was doubt that state and local resources would be adequate to the task, many looked to Congress to provide a way to avoid a major fiscal crisis. The Education for All Handicapped Children Act, although criticized by President Ford and others for the detail of its provisions, was generally welcomed by all in the educational community.

The law thus sought both to help states and localities with the fiscal burdens these court decisions entailed and to specify the manner by which equal opportunity for the handicapped could best be provided. To achieve the latter objective, the Act required, among other things, that school districts: establish elaborate procedures that would enable them to identify all handicapped children; prepare, in consultation with parents and, where appropriate, the handicapped student him or herself, an individual educational plan (IEP) specifically designed for that student; incorporate or "mainstream" the handicapped student in as many of the regular school activities as feasible; and establish regular procedures through which parents could challenge any school district decisions. Recognizing the new costs this elaborate program entailed, and attempting to achieve the fiscal objective that made the act acceptable to school officials, the law authorized expenditures sufficient to cover 40 percent of the excess cost of educating a handicapped child. But even though allocations for special education climbed steadily in the aftermath of the legislation--Table I-2 shows that they rose from less than two hundred million dollars in 1976 to over one billion dollars in 1982--these amounts were but 9 to 15 percent of the cost of educating the handicapped and fell far short of the authorized expenditure levels. As a result, local districts remained fiscally exposed.

Emergency School Aid Act. The concept of equal educational opportunity not only legitimated new programs for the handicapped, it also provided an umbrella under which the federal government, for the first time, assisted school districts undergoing school desegregation. Once again, judicial decisions provided the context for policy innovation. But in contrast to the special education program, legislative initiatives that led to the Emergency School Aid Act (ESAA) did not result from interest group pressures and congressional subcommittees. The problem involved in school desegregation, and in the busing of pupils to achieve that end, had become so central to American political debate that innovations in this area were the result of broad political strategies on the part of the nation's leading politicians.

Although the program won the backing of leaders from both political parties, this by no means assured the stable constituency necessary for easy identification of objectives and smooth implementation of goals. Instead, the program was subject to shifting coalitions of support and heavy criticism from both left and right; it also became the vehicle for many a pet political project. There have been attempts to use the program to increase desegregation, although many of these have been limited by various provisions and amendments that prevented certain uses of funding directly related to desegregation.

When the Nixon administration assumed office in 1969, it recognized a number of difficulties in pursuing what had become known as its "southern strategy." It was committed to minimizing civil-rights enforcement practices that treated the South differently from other parts of the United States, but realized that its efforts to achieve this goal through judicial appointments would be slow and, for a period of time, not readily apparent. Even after the appointment of Warren Burger as chief justice, the Supreme Court reaffirmed its strong commitment to school desegregation in Alexander v. Holmes (1969); meanwhile, numerous lower court decisions were continuing to hasten school desegregation in the South. In fact, it was precisely during the first years of the Nixon administration that the greatest racial changes in school attendance patterns were occurring.

Unable to halt court-ordered desegregation, the Nixon administration, in a well-conceived plan designed to maintain credibility among civil-rights leaders and to win support in the South, developed a desegregation policy along the following lines: to express regularly the administration's opposition to judicial activism; to make more conservative appointments to the courts whenever possible; to slow the executive administrative machinery responsible for desegregation enforcement; and to provide financial assistance to those districts forced to undergo school desegregation.

This last plank in the policy, which was the basis for ESAA, was inserted "at the last moment" into the president's March 1970 statement on school desegregation. Nixon observed in this presentation that "successfully desegregating the nation's schools requires more than the enforcement of laws. It also requires investment of money."[24] Nixon proposed expenditure of $500 million in fiscal year 1971 and one billion dollars in fiscal year 1972 in the following areas:

Aid to districts now eliminating de jure

> segregation. . . . Aid to districts that wish to undertake voluntary efforts to eliminate, reduce or prevent de facto racial isolation. . . . Aid for the purpose of helping establish special or intercultural education programs . . . designed to overcome the educational disadvantages that stem from racial isolation.[25]

All grants to such districts were to be made for specific projects and required the approval of the secretary of Health, Education, and Welfare (HEW). Two-thirds of the funds were to be allotted among the states by a formula based on the proportion of the nation's minority students located in each state. Minority students residing in districts required by law to desegregate would be counted twice. The remaining one-third of the funds could be allocated by the HEW secretary for especially promising projects in any eligible district.

Civil-rights supporters and school officials initially supported the Nixon proposal, but their enthusiasm cooled considerably when Nixon attached a new provision that prohibited use of the money for busing; "This, in effect, dissociated the administration from busing, and it was strongly opposed by school officials and civil rights groups and provoked new battles in Congress."[26] Republican Senator Jacob Javits expressed reluctance to introduce the bill because of the anti-busing language. Eventually, the White House dropped the provision but reserved the right to reintroduce it at a later date;[27] this facilitated the appropriation of $75 million on an emergency, "interim" basis, while deliberations on the full proposal continued. Democratic opposition focused on the plan to double-count children in school districts forced to desegregate by court order, since this was perceived as allocating a disproportionate amount of funds to the South. Representative Carl Perkins contended that there was no need for such a bill, as it would unnecessarily duplicate funding made available through the Elementary and Secondary Education Act of 1965.[28]

Despite Perkins's opposition, the House moved more rapidly than the Senate to endorse the proposal, and the House Education and Labor Committee reported the ESAA proposal to the floor on November 30, 1970. The committee dropped the double-counting provision and reduced the funding for special projects from 33 to 20 percent. The House required that 90 percent of ESAA funds be allocated on the basis of the formula, further limiting HEW discretion over special grants to just 10 percent of the total funds approved. The House voted 159-77 in favor of ESAA.

Interestingly, opposition came from the most conservative and the most liberal members of the House. The conservatives were guided by Ohio Republican John Ashbrook, who contended that ESAA was not an "emergency program" but a "new and permanent program of dubious value." He and his conservative colleagues argued that the legislation "would put Congress clearly on the record as favoring a massive, federally aided school busing program."[29] The liberals asserted that much of the money would be "squandered" and allocated to districts unwilling to desegregate. Their point was underscored in early 1971 when the General Accounting Office released a report demonstrating that more than 90 percent of the interim funds had been allocated to states in the South.

These concerns prevented Senate consideration of the bill before the end of the Ninety-first Congress. Undaunted, the Nixon administration reintroduced the legislation, largely unchanged, in early 1971. The legislation did not mention transportation of students in desegregation efforts; it recommended that 80 percent of the funds be allocated by formula, with the remainder earmarked for special projects. Leading Senate liberals--including Walter Mondale, Edward Kennedy, Hubert Humphrey, George McGovern, Edward Brooke, and Edmund Muskie--responded with an alternative bill that focused expenditure more specifically on desegregation-related costs. A compromise was achieved, and both Houses approved the legislation as part of the Higher Education Act of 1972.

While the ESAA that was approved and signed into law in June 1972 resembled the proposal first introduced by the Nixon administration, it was altered in some respects. The final bill divided a substantial amount of the funding into a number of quite specific areas reflecting the particular concerns of influential members of Congress. Special grants were set aside for pilot compensatory programs, metropolitan area projects such as educational parks, bilingual education programs, educational television, and special assistance to private groups and to public agencies other than school boards. The remainder of the ESAA funds were to be distributed among the states on the basis of a formula, largely determined by the number of minority group children of school age. The legislation did specifically prohibit use of ESAA funds for busing, but the Department of Health, Education, and Welfare generally denied allocation for such purposes.

In 1974, when ESAA came up for congressional reconsideration, there was, once again, heated debate over busing. President Nixon, who initially proposed the act, requested that Congress permit it to expire. He put forward instead a smaller program for "selected school districts facing critical problems as a result of either mandatory or voluntary desegregation."[30] Congress ignored this proposal and extended ESAA for an additional two years, although it "prohibited spending the desegregation money for busing and also denied local officials discretion to use money from most other federal programs for this purpose."[31] Congress remained supportive of ESAA in face of President Ford's recommendation that funding be dramatically reduced. When Ford vetoed the appropriation for ESAA, both houses responded with an override in the summer of 1975. When ESAA was extended again in 1978, HEW was given greater discretion over the distribution of funds and magnet schools, which were expected to attract an integrated clientele voluntarily by the quality of their educational offerings, were embraced as an additional special grant category.

ESAA funding continued to increase throughout the 1970s. It climbed from $92.2 million in fiscal year 1972 to $204 million in fiscal year 1976 to $304.5 million in fiscal year 1980 (see Table I-2). But when examined in constant dollars, ESAA funding peaked around fiscal year 1976 (see Table I-3). From the beginning, the program was buffeted by political controversy and was subjected to special claims. As is shown in Table II-3, the rate at which amendments were offered to ESAA on the floors of the House and Senate was more than double the rate on any other piece of educational legislation. It was completely eliminated as a distinctive program in the first year of the Reagan administration.

Conclusions

Federal education programs have thus been developed at different times, debated in varying political and social contexts, designed to meet divergent needs, and expected to have diverse consequences. While each program has its own unique characteristics, two broad tendencies can nonetheless be discerned. The three earlier programs—vocational education, NDEA and impact aid—were established to help local districts financially with programs and policies to which they were already committed. In every case, aid was intended to pay for services or materials that presumably enhanced the attractiveness of local schools to all community residents. No particular group in the community with distinct problems or needs were singled out for special attention or assistance. Thus, there could be no expectation that federal aid could in any way detract from each community's efforts to make itself an attractive area for people to live and work. Nothing in the federal requirements precluded communities from using the money to attract talent and industry to the community. Indeed, the vocational and the NDEA programs seemed to have economic growth and enhanced competitive capacities very much in mind.

At the opposite end of the spectrum one finds the three redistributive programs. Here the dominant concern involved the special needs of groups who were thought to have been inadequately served by local schools. Federal money was supposed to be used for the exclusive benefit of the educationally disadvantaged, the handicapped, and those experiencing the processes of racial transition. To the extent that equality and care for the needy come at the expense of growth and efficiency, one can consider these programs as contrary to the developmental concerns of local districts. In any case, the redistributive features of these programs were the most prominent ones, and they greatly influenced the way in which the policies were implemented.

This implementation process can best be seen in concrete instances. In order to observe the way in which developmental and redistributive programs were administered, we selected for intensive investigation four cities in varied economic and political circumstances. In the next chapter we shall see just how federal policy can be shaped by the differing characteristics of four large American cities.

Footnotes

1. Frank J. Munger and Richard F. Fenno, Jr., National Politics and Federal Aid to Education (Syracuse, N.Y.: Syracuse University Press, 1962), p. 28.

2. Ibid., chap. 4.

3. Ibid., p. 98.

4. National Institute of Education, "Federal Vocational Education Legislation," The Vocational Education Study: The Interim Report (Washington, D.C.: U.S. Department of Education, 1980), p. II-3.

5. Marvin Lazerson and W. Norton Grubb, eds., American Education and Vocationalism: A Documentary History, 1870-1970 (New York: Teachers College Press, Columbia University, 1974), p. 28.

6. National Institute of Education, "Federal Vocational Education Legislation," pp. II-3, 8.

7. Munger and Fenno, National Politics and Federal Aid to Education, p. 100.

8. Ibid., p. 50.

9. Stephen K. Bailey, Education Interest Groups in the Nation's Capital (Washington, D.C.: American Council on Education, 1975), p. 28.

10. Harry L. Summerfield, Power and Process: The Formulation and Limits of Federal Educational Policy (Berkeley: McCutchan, 1974), p. 25.

11. Vocational Education Act, Statutes at Large 77, sec. 1, 403 (1963).

12. Ibid., sec. 3.

13. National Defense Education Act of 1958, Statutes at Large 72, sec. 301, 1588 (1958).

14. Sidney Sufrin, Administering the National Defense Education Act (Syracuse, N.Y.: Syracuse University Press, 1963), p. 13.

15. Executive Committee of American Association of School Administrators, as quoted in "Editorial," The Nation's Schools 67 (February 1961), pp. 61-62.

16. "Federal Aid: Don't Let It Unbalance the Curriculum," The Nation's Schools 66 (November 1960), p. 77.

17. Congressional Quarterly Almanac (Washington, D.C.: Congressional Quarterly, 1961), p. 243.

18. U.S. Office of Education, "Administration of Public Laws 81-874 and 81-815," Annual Report of the Commissioner of Education, Fiscal Year 1978 (Washington, D.C.: U.S. Government Printing Office, 1978), p. 23.

19. Elementary and Secondary Education Act of 1965, Statutes at Large 79, sec. 27 (1965).

20. U.S. President, Weekly Compilation of Presidential Documents (Washington, D.C.: Office of the Federal Register, National Archives and Records Service, 1975), Gerald R. Ford, December 8, 1975, p. 1335.

21. The Education for All Handicapped Children Act of 1975, Statutes at Large 89, sec. 3-b, 773-796 (1975).

22. Frederick J. Weintraub, ed., Public Policy and the Education of Exceptional Children (Washington, D.C.: Council for Exceptional Children, 1976), p. 9.

23. Ibid.

24. U.S. Congress, House Subcommittee on Education, *Oversight of Public Law 94-142*, p. 233.

25. *Congressional Quarterly Weekly Report*, May 29, 1970, p. 1164.

26. Gary Orfield, *Must We Bus?* (Washington, D.C.: Brookings Institution, 1978), p. 246.

27. *Congressional Quarterly Weekly Report*, June 19, 1970, p. 1585.

28. Ibid.

29. Ibid., December 11, 1970, p. 2946.

30. Ibid., February 9, 1974, pp. 267-68.

31. Ibid.

Chapter III

THE POLITICAL ECONOMY OF CITIES AND THEIR SCHOOLS

Federal programs are greatly affected by the diversity of the regions, states and communities in which they are administered. The federal program in special education, for example, has had a vastly different impact in a large urban school system with a history of extensive programs for handicapped children and ample resources with which to provide them than in rural systems with little experience in and few resources available for special education. Similarly, federal efforts to promote vocational education differ dramatically depending on the previous services available in a community, and the receptivity of local government and community leaders to new projects.

In order to assure that variations in local characteristics would be taken into account in our analysis of federal program administration, four sites were selected to maximize economic and political diversity: Baltimore, Dade County, Milwaukee and San Diego vary according to economic and fiscal well-being, population change and composition, and the nature of their respective local political and governmental systems. We found that those communities with serious economic and fiscal difficulties or highly political administrations were less likely to comply with federal program regulations than those with relatively robust economies and professionalized administrations. Baltimore, for example, proved somewhat slower in following the general pattern toward intergovernmental collaboration than Milwaukee, Dade County or San Diego. Both its economic situation and its political style impaired its capacity to execute a number of federal programs.

Local Economic and Fiscal Conditions

The economic and fiscal well-being of a city and its local government can have substantial impact on the way in which external factors—such as federal programs and dollars—will be perceived and utilized. Those cities, for example, that have encountered economic decline and resource shortages in local government may be reluctant to allocate federal dollars for purposes other than those considered essential by city leaders. At the same time, those cities with a robust local economy will be freer to respond to redistributive guidelines, because local prosperity provides them with more resources to help needy citizens. Even if such areas may be no more politically committed to abiding by federal mandates than less economically well-off counterparts, they will still face fewer of the fiscal impediments to compliance.

The four cities differed substantially in their economic and fiscal conditions. Whereas Baltimore has consistently suffered from economic decline and its local government has been increasingly hard-pressed to fund basic city services, Dade County[1] has both enjoyed economic expansion and fiscal well-being. San Diego, too, has been an economically prosperous city, but limits on state and local taxes have depressed revenues available to the school system. Milwaukee and its schools, on the other hand, have enjoyed better fiscal health than might be expected from its economic position.

Baltimore: A Declining City

The "Baltimore is Best" logo that adorns many car bumpers and other public places in the city lends itself to immediate qualification, particularly with regard to economic stability. City population has declined by more than 150,000 since 1960 (Table III-1). White population decline has been particularly pronounced, as the city shifted from a white to a black population majority during the 1970s. Stable, tax-generating neighborhoods have increasingly been isolated along the city's periphery; many major employers have either closed their shops entirely or reduced staff significantly. The central core of the city is ringed by deteriorating areas, many of which have been abandoned and show few signs of revitalization.

Baltimore was, in fact, described as "America's Worst City" by Harper's Magazine in the 1960s, showing all the symptoms of urban decay that plagued many other American cities. "Its downtown was physically obsolete, psychologically demoralized and near bankruptcy, its white population was moving to the suburbs at an astounding rate, there was a shortage of decent low-cost housing, and there were thousands of abandoned homes and blocks of heavily populated urban blight," noted one observer.[2] Subsequently, a political and economic "renaissance" has been undertaken that has polished Baltimore's national image and produced a variety of physical improvements.[3] Nonetheless, these efforts have served to slow, rather than stem, the tide of economic decline.

Most indicators of economic health have continued to reflect stagnation or actual contraction. Total retail sales, disposable personal income and estimated personal household income declined

Table III-1

Population Per District, 1960-1980

	Total	(% Change)	% White	% Non-white	% Black
Baltimore					
1960	939,024		65.0	35.0	34.6
1970	905,759	(-3.5)	53.0	47.0	46.3
1980	786,775	(-13.1)	43.8	56.2	54.8
Milwaukee					
1960	741,324		91.0	9.0	8.4
1970	717,099	(-3.3)	84.3	15.7	14.8
1980	636,212	(-11.3)	73.3	26.7	23.1
Dade County					
1960	935,057		85.1	*	14.7
1970	1,267,792	(+35.6)	84.5	38.6	15.0
1980	1,625,781	(+28.2)	77.6	52.9	17.2
San Diego					
1960	573,846		92.1	7.9	6.0
1970	697,470	(+21.6)	88.9	18.3	7.6
1980	874,348	(+25.7)	76.2	23.8	8.9

Sources: United States Department of Commerce, Bureau of the Census, *Census of Population and Housing*, 1960, 1970, and 1980.

*Not Available.

Table III-2

Economic Trends: Dade, Baltimore and Milwaukee, 1964-1982

	Total Retail Sales (millions)	Disposable Personal Income (millions)	Estimated Personal Household Income
	Constant $	Constant $	Constant $
Dade			
1964	2,195	2,823	7,339
1969	2,517	3,544	9,032
1974	2,472	4,510	9,274
1979	3,067	4,742	7,978
1982			
Baltimore			
1964	2,013	3,300	11,426
1969	1,832	3,008	10,846
1974	1,506	2,623	9,215
1979	1,091	1,388	4,740
1982			
Milwaukee			
1964	1,590	3,371	9,059
1969	1,438	2,747	11,176
1974	1,177	2,749	11,740
1979	925	1,859	7,806
1982			
San Diego			
1964	896	1,494	6,837
1969	629	1,753	7,963
1974	685	1,636	6,560
1979	1,002	1,734	5,298

Sources: Editor and Publisher, Market Guide, New York, 1964, 1969, 1974, 1979

Notes: a. 1967=1.00

Table III-3

Total Housing Units, 1960-80

	Total Housing Units
Baltimore	
1960	290,155
1970	305,521
1980	302,680
Milwaukee	
1960	241,593
1970	246,065
1980	253,489
Dade County	
1960	348,946
1970	453,908
1980	665,382
San Diego	
1960	192,269
1970	241,374
1980	341,571

Sources: U.S. Bureau of the Census, *U.S. Census on Population and Housing*, 1960 and 1970, *U.S. Census of Housing: Characteristics of Housing Units; General Housing Characteristics*, 1980.

Table III-4

Employment Trends: Baltimore, Dade, and Milwaukee, 1960-80

	Total	Professional & Technical	Clerical	Craftsmen & Foremen	Operatives[a]	Managers & Admins.	Service	Sales
Baltimore								
1960	362,311	36,413	60,187	43,497	67,838	23,358	37,099	26,313
1970	352,700	45,407	71,955	44,038	51,520	18,480	51,636	20,749
1980	306,248	45,386	61,381	31,017	57,535	23,626	57,606	20,945
Dade								
1960	360,097	39,225	53,920	46,977	40,447	40,411	42,372	33,029
1970	513,164	68,666	102,015	69,745	53,778	46,785	67,770	44,810
1980	742,632	81,250	145,265	86,730	106,607	91,567	104,593	88,136
Milwaukee								
1960	302,251	29,063	52,565	45,039	72,489	17,505	28,397	22,077
1970	300,294	37,557	61,371	40,236	55,147	15,759	41,303	20,476
1980	284,164	37,831	55,246	31,079	68,701	21,469	45,905	23,933
San Diego								
1960	179,589	28,903	32,984	26,105	22,923	15,619	16,309	15,676
1970	228,112	47,302	46,506	27,118	17,850	20,071	30,850	19,618
1980	352,717	73,955	64,952	39,217	37,697	42,533	53,508	40,815

Sources: U.S. Department of Commerce, Bureau of the Census, Characteristics of the Population, 1960, 1970, 1980.

Notes: a. Operatives includes manufacture of durable and nondurable goods.

Table III-5

School System Enrollment

	1966-7	1971-2	1976-7	1977-8	1978-9	1979-80
Baltimore	192,545	186,600	160,212	152,153	145,503	136,187
Dade	227,766	245,242	240,248	229,254	229,254	223,740
Milwaukee	124,974	132,685	107,900	99,113	95,271	90,551
Dan Diego	136,772	147,629	120,926	121,732	111,436	109,734

Source: U.S. Bureau of the Census, Finances of Public School Systems, 1977-80; Census of Governments, 1967, 1972, 1977.

Table III-6

General School System Revenue[a] (Constant Dollars)[b]

	1966-7	1971-2	1976-7	1977-8	1978-9	1979-80
Baltimore	(c)	(c)	170,489	167,747	139,460	129,029
Dade County	163,295	205,147	[illegible]	231,107	226,923	213,126
Milwaukee	86,805	112,038	126,106	146,216	129,149	121,715
San Diego	92,543	126,194	126,401	129,670	122,262	121,933

Source: U.S. Bureau of the Census, Finances of Public School Systems, 1977-80; Census of Governments, 1967, 1972, 1977.

Notes:
a. All school district revenue except employee retirement or other insurance trust revenue.
b. 1966-67=1.00.
c. Not available.

Table III-7

General School System Per Pupil Expenditure[a] (Constant Dollars)[b]

	1966-67	1971-72	1976-77	1977-78	1978-79	1979-80
Baltimore	594	943	1,006	1,059	916	914
Dade County	646	823	1,028	1,037	984	997
Milwaukee	633	891	1,122	1,516	1,371	1,388
San Diego	650	705	1,024	1,035	1,032	1,086

Source: U.S. Bureau of the Census, Finances of Public School Systems, 1977-80; Census of Governments, 1967, 1972, 1977

Notes:

a. All school district expenditure other than that classified as employee retirement or other insurance trust expenditure.

b. 1966-67=1.00.

precipitously from 1964 to 1979 when measured in constant dollars (Table III-2). In fact, per capita income in metropolitan Baltimore was $7,501 in 1981, less than in all but three other urban areas in the nation. Total housing units increased slightly between 1960 and 1980, although a peak was attained in 1970 (Table III-3). All the while, aging physical amenities have gone largely untended, as Baltimore suffers all the symptoms of physical decay characteristic of snowbelt cities.

Employment trends confirm the grim economic setting, as more than 50,000 jobs were lost between 1970 and 1980 (Table III-4). More recent assessments suggest that the decline has only accelerated since 1980. A Chase Econometrics study revealed that the Baltimore area, which lost more jobs in 1981 than any other metropolitan region of the Northeast, was unable to generate strong growth in any sector of business or industry. Between 1978 and 1982, 12,000 manufacturing jobs were lost in the two largest manufacturing firms in the area, and during 1981 alone more than 20,000 jobs were lost.[4] Predictably, the decline was more pronounced in the city than in surrounding areas.

The Baltimore public schools showed similar signs of decline, both in terms of enrollment and fiscal well-being. Enrollment dropped by more than 50,000 students between 1971-2 and 1979-80 (Table III-5) and general school system revenue declined steadily in constant dollars from the middle to the end of the 1970s (Table III-6). The seriousness of this revenue loss was most evident when measured in per pupil expenditures, as Baltimore was the only one of the four school systems to experience a constant dollar decline from 1971-2 to 1979-80 (Table III-7). The city school system had the highest level of per pupil expenditures among the four systems that we studied in 1971-2, but it had the lowest level by 1979-80.

Federal and state transfer programs alleviated the fiscal problems to some extent during the 1970s, although Baltimore's staggeringly disproportionate reliance on them only confirms the depiction of overall economic decline. The city comprised less than one-fifth of the entire Maryland population at the end of the 1970s yet was home to more than three-fifths of all recipients of Aid to Families with Dependent Children in the state. Similarly, the food stamp program and general public assistance enrollments, as well as overall expenditures for social service programs, were far greater in Baltimore than in the remainder of Maryland communities. Overall, slightly more than 50 cents of every federal transfer program dollar allocated to Maryland was spent in Baltimore, while 63 cents of every dollar from a state transfer program were spent in the city.

Dade County: A Growing Metropolis

The development of Dade County as a major population and economic center has been impressively rapid in the last two decades. But since 1960, the area has been transformed from a tourist mecca into a metropolis dominated by Latin American, particularly Cuban, culture. More than 12 million foreigners, most of them from Latin America, visited the Miami area in 1980 and Miami is the world's second largest Cuban city, smaller only than Havana.[5] Despite great disparities of wealth and growing inter-ethnic tensions, this economic dynamism has forged Dade County's reputation as a new Caribbean capital. Dade County has become a major center for banking and investment and has

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also developed significant industrial and manufacturing capacity. At least 100 multinational companies maintain their Latin American headquarters in South Florida, the overwhelming majority of them in Dade County, and more than 70 percent of its remarkable population growth over the past two decades has been Hispanic. It continues to give every indication of substantiating the prediction of a former president of Ecuador that it would become "the capital of Latin America."[6]

The Dade County population has nearly doubled during this period, from 935,057 in 1960 to 1,625,979 in 1980 (Table III-1). Population projections anticipate a minimum of 1.7 million and a maximum of two million residents by 1990, making Dade County the heart of a "new southeastern megalopolis" that also includes neighboring Broward and Palm Beach Counties.[7] Expanding in tandem with the population, the economy has proven largely resilient to national recession. The 1981-83 recession made some inroads on growth patterns but was barely discernible in many parts of the county. Total retail sales increased by nearly one-third between 1964 and 1979 when measured in constant dollars (Table III-2). Disposable personal income and estimated personal household income also grew rapidly during this period (Tables III-3 and III-4).

While the population and economic figures were spinning upward, housing units and employment trends confirmed the robust economic picture. The number of housing units in Dade County jumped from 348,946 in 1960 to 665,414 in 1980. Categorical review of employment over the same period revealed expansion in every aspect of the work force. The number of new jobs in Dade County increased by 78,000, a gain of 12 percent, between 1978 and 1980. During this period, Dade payrolls mushroomed from $7.6 billion to $10.1 billion, a growth rate of nearly 33 percent. Even in categories which stagnated nationally, such as industry and manufacturing (craftsman, foreman, and operatives, in Table III-4), Dade County expanded its workforce throughout the period between 1960 and 1980. Growth was particularly dramatic in those areas which remained stable or increased slowly nationwide. Employment in "service," "sales" and "managers and administration" more than doubled in the two-decade period and greatly outpaced Milwaukee and Baltimore in these areas (Table III-4). That the employment picture has continued to be bright in virtually every category is illustrated in the distinctive attitude local vocational educators have toward placing their students in training-related employment. Whereas Baltimore and Milwaukee worry constantly about finding openings for capable students, Dade vocational educators are concerned about lacking sufficient numbers of qualified students to fill existing positions.

Much of this growth has paralleled that of Florida, which emerged as the fifth most populous state in the nation in 1980. However, the Dade economy is more diversified than most other urbanized counties of the state. It also remains the most reliant on Latin American participation, both in its citizenry and in terms of external investment. Downtown Miami continues to boast extensive renovation; construction projects have risen in record numbers and property values have consistently increased.[8] "The city's central business district, formerly in decline, began to take on a new look and a new vitality," noted Raymond Mohl. "New skyscrapers and building projects in various stages of construction gave the city the appearance of a boom town."[9]

More than 70 major development and construction projects were being undertaken in downtown Miami at the start of the 1980s. Municipalities surrounding the city have enjoyed robust commercial expansion as well; Coral Gables, for example, has become a major center for industry and education.

Dade County's growing reputation as "Paradise Lost" is itself a by-product of a certain kind of prosperity. The underground economy of drug sales and organized crime has expanded at an even more rapid rate than the remainder of the economy. Federal officials have estimated that 90 percent of all wholesale marijuana and cocaine transactions in the United States, about four billion dollars annually, involve Dade County in some respect.[10] Although this contributes to feelings of decay and social disintegration, much of this money is deposited in local banks and invested in Florida real estate and industry.

The fiscal health of the Dade County schools was not as robust as its economy, but was stable throughout the 1970s and showed no signs of danger in the early 1980s. Both enrollment and general school system revenue remained relatively consistent throughout the 1970s (Tables III-5 and III-6). Although both enrollment and constant dollar revenues had ceased their rapid 1960s expansion by the early 1970s, per pupil expenditures still rose from $823 in 1971-2 to $997 in 1979-80, peaking in the middle of the decade (Table III-7). Despite the arrival of thousands of new students from Central America in the early 1980s, the Dade County system faced none of the fiscal strains so evident in Baltimore, attributable in large part to a strong local economy and strong support for educational funding by the Florida legislature.

Milwaukee: Fiscal Stability Amid Economic Decline

Overall stability notwithstanding, Milwaukee has not proven immune to threats facing large cities in the Frostbelt. Both emigration to the suburbs and economic contraction have been evident during the past two decades, although at a slower pace than cities such as Baltimore, Chicago and New York. In fact, Milwaukee can be positioned roughly between the extreme growth of Dade County and San Diego and the rapid decline of Baltimore, generally stable but declining gradually in certain respects.

Living conditions for many of the city's residents are reasonably good. "Visitors are impressed by its well-kept homes, the absence of extensive areas of blight, the friendliness of its people, its law-abiding citizenry consistently ranking first in traffic safety and low in crime rates among municipalities of its size and the beauty of its lakefront with its excellent harbors," observed two analysts of Milwaukee.[11] This assessment was made in 1965, yet it remains largely applicable nearly two decades later, thereby serving to underscore the stable nature of life in Milwaukee. A more recent analysis noted that the city increasingly suffers from an aging housing supply, limited mass transit, and middle-class outmigration. Nonetheless, it concluded, "the urban blight that devastated Detroit, New York, and other cities in the sixties dealt somewhat more kindly with Milwaukee."[12]

Decline is perhaps most noticeable in city population, which dwindled by more than 75,000 between 1970 and 1980. Milwaukee had 741,310 residents according to 1960 Census figures, but the population slipped to 633,843 by 1980 (see Table III-1). Most of this decline was attributable to a declining white population: in the process, the black proportion of city population climbed from 8.4 to 23.1 percent (Table III-1).

Economic indicators suggested a slow rate of decline. Total retail sales declined somewhat in constant dollars between 1964 and 1979. Total disposable personal income proved to be more stable, although it, too, began to shrink late in the decade (Table III-2). Similarly, personal household income grew by more than 20 percent between 1964 and 1974 when measured in constant dollars, before decade-end recession stemmed the growth (Table III-2). Total housing units increased slowly but steadily, from 241,593 in 1960 to 246,065 in 1970 to 253,489 in 1980 (Table III-3). Moreover, employment decline was modest in comparison to population decline, suggesting that many suburbanites continued to work in the city. Although total employment fell from 302,251 in 1960 to 284,164 in 1980, "service" employment grew by more than 17,000 in the same period (Table III-4).

The 1981-83 recession accelerated the trimming of employment rolls in a number of major firms, although most leading employers indicated their resolve to remain in Milwaukee. The city payroll has not undergone significant reductions despite federal budget cutbacks, partly because the city property tax base has proven resilient. City bonds have historically received the highest possible rating, Triple A, although they slid slightly to a still-desirable AA+ in mid-1982.

Both business leaders and the city have made repeated efforts to adjust to changing political and economic realities. Business, labor and professional leaders joined forces in the late 1940s through the Greater Milwaukee Committee, which provided the impetus for building an expressway network, sports arena, county stadium, zoo, war memorial and performing arts center.[13] The GMC continues to play an active role in Milwaukee affairs, particularly in downtown renovation and lakefront development. Similarly, the city has attempted to compensate for decline in certain economic sectors with promotion of new growth industries. A six-year growth plan was introduced in 1968 that culminated in the development of a Milwaukee industrial land bank, downtown redevelopment and the establishment of the city's increasingly popular Summerfest festival along the lakefront.

The most recent growth plan, announced in 1981, is intended to compensate for the decline of the industrial and manufacturing sectors. It is designed to encourage growth of small businesses and develop a high-technology base for Milwaukee. Various city land banks will be used in concert with tax incentive programs to attempt to lure high-technology corporations into the city. Milwaukee rivals Baltimore in its aggressive efforts toward economic redevelopment, although it does not have the widespread pockets of poverty and significant withdrawal of industry to other communities and regions with which to contend, as does Baltimore. Hence, its strategy represents an attempt to stem signs of decline and inject alternative sector growth. "The city has steadily lost residents to suburbia in the past three decades," conceded one analysis, "but the trend may slow with a recent infusion of cultural facilities, neighborhood-renovation drives, and large-scale commercial development."[14]

Milwaukee's relative economic resilience among snowbelt cities was also reflected in the fiscal stability of its schools. Public school enrollment declined at a rate comparable to Baltimore's in the 1970s

(Table III-5) but the general revenues of the school system in constant dollars were far more stable (Table III-6). In fact, despite the considerable loss of students, general revenues in constant dollars increased between 1971-2 and 1979-80, with the general fiscal pattern resembling Dade County more than Baltimore (Table III-6). The fiscal health of the Milwaukee schools looked even better when per pupil expenditures were examined, as they climbed in constant dollars from $891 in 1971-2 to $1,388 in 1979-80 (Table III-7). By this latter date, in fact, per pupil expenditures in Milwaukee exceeded those in each of the other three school systems by more than 25 percent, after being roughly comparable to the other districts in this regard in the mid-1960s and early 1970s (Table III-7).

San Diego: Fiscal Pressures in a Growth City

San Diego has avoided the "paradise lost" tag that has marred Dade County's economic growth and faces none of the threats of economic decline so evident in Baltimore and, to a lesser extent, Milwaukee. Instead, San Diego has emerged from the shadows of Los Angeles into a major urban center. The greatest challenge facing city leaders is to somehow ride herd over the dramatic economic and population expansion and the concomitant sprawl and strain on amenities. Unlike Baltimore or Milwaukee, there is no need to try to stimulate a "Renaissance" or stem the erosion of damaged industries.

Questions pertaining to economic development dominate the local political landscape. Some leaders and government agencies advocate orderly development and promote comprehensive planning of the city and its surrounding area, but they have been consistently outmatched by proponents of uncontrolled expansion. By all accounts, San Diego has remained a "builder's paradise" rather than a "conservationist's dream." As a result, new businesses and industries, as well as suburbanized subdivisions, stretch in every imaginable direction. Remaining open areas are coveted, with most of them likely to be filled in by decade's end.

Various indicators suggest that San Diego's growth has essentially paralleled that of Dade County. City population jumped from 573,846 in 1960 to 697,470 in 1970, a 22 percent increase. By 1975, the population had increased another 11 percent, to 774,000, and had reached 874,348 by decade's end (Table III-1). Every population projection anticipates that the city population will surpass the one million mark by 1990. Between 1970 and 1980, in fact, the San Diego growth rate was exceeded by only five other cities in the nation, all of which were in the Sunbelt. Total retail sales and disposable personal income increased by more than 10 percent in constant dollars between 1964 and 1979 (Table III-2), though estimated personal household income declined in the 1970s (Table III-2). As in Dade County, expansion was perhaps best illustrated by the dramatic increase in total housing units between 1960 and 1980, as San Diego passed both Baltimore and Milwaukee in total units by 1980 and nearly kept pace with the extraordinary expansion rate of Dade County (Table III-3).

San Diego also mirrored Dade County's ability to expand its employment base through tremendous service industry expansion. Service employment in the city more than tripled between 1960 and 1980, from 16,309 to 53,508 jobs (Table III-4). Growth was similarly geometric in the areas of sales, professional, technical, and managerial employment

(Table III-4). At the same time, traditional sectors such as manufacturing stabilized but faced none of the outright decline so threatening to cities such as Milwaukee and Baltimore. In fact, employment in San Diego grew in every Census Bureau category between 1970 and 1980, and total employment increased from 228,112 in 1970 to 352,717 in 1980 (Table III-4). Even the main growth area anticipated in federal budgets of the 1980s--Defense Department expenditures--figured to once again contribute to the economic well-being of San Diego, given the high concentration of military-oriented industries and services located in the area. Although once the main stimulus for San Diego economic growth, particularly in the first half of the 20th Century, military spending was only part of a variety of factors that contributed to ongoing economic health for San Diego in the 1970s and 1980s.

The fiscal conditions of the public schools were not as robust as the local economy, but were sound in comparison to fiscally-strapped districts such as Baltimore. Although enrollment dropped from 147,629 in 1971-72 to 109,734 in 1979-80 (Table III-5), general school system revenues remained steady (Table III-6). As a result, per pupil expenditures rose dramatically during the decade, from $705 in 1971-72 to $1,086 in 1979-80 (Table III-7). In the early 1980s, the fiscal well-being of the San Diego schools became increasingly suspect as once-generous revenue sources were restricted and deficits loomed.[15] The passage of property tax-cutting Proposition 13 in 1979 and a California State Supreme Court decision in 1971 mandating equalized funding among state school districts weakened the fiscal standing of public education in San Diego. Proposition 13 trimmed local property tax assessment rates roughly in half, thereby decreasing the amount of funding available from local sources. The landmark *Serrano v. Priest* decision held that a school finance system that makes the quality of a child's education a function of the wealth of his or her community violates the equal protection clauses of state and federal Constitutions.[16] Given its relatively high per pupil spending prior to the decision, San Diego was restricted further in its funding latitude. Although the influence of Proposition 13 and *Serrano* were initially mitigated by local and state surpluses, these have since been exhausted. If not faced with as severe a fiscal threat as Baltimore's schools the San Diego schools were no longer assured of fiscal stability by the early 1980s.

Local Governance and Education

The nature of local governance and politics also has considerable influence on the way in which federal programs are implemented at the local level. Just as local economic factors influence the implementation process, local governance and politics shape the way in which federal programs are interpreted and administered. And just as city economic well-being is interrelated with fiscal well-being of city schools, the politics of city government and city schools must also be studied side-by-side. Both tend to resemble each other in their basic approach to governance and often influence each other.

The link between city government and city schools is evident whether a city and its schools are governed by machine- or reform-oriented leaders and institutions. Machine-oriented city governments, however, are far more likely to exercise direct influence over their local school system than governments in reform-oriented cities. In turn, those school systems that operate within the boundaries of a machine city are more likely to politicize many aspects of school governance, from hiring and promotion of teachers and administrators to setting basic school policy. Professional educators, to be sure, are employed by and operate the system, but they enjoy less autonomy from local political pressures in performing their assigned tasks. In fact, such systems attempt to limit reliance on professional standards and procedures to carry out basic functions and solve major problems.

This pattern differs markedly from reform-oriented political systems where professional educators are the predominant actors and work largely free of local political pressures. Resources are allocated on the basis of merit (however this might be interpreted) rather than according to political expediency. Furthermore, reform systems afford local educators somewhat greater latitude in complying with external demands, whether those made by federal program guidelines or local constituency groups.

The relative advantages and disadvantages of either machine or reform-oriented governance of a city and its service systems are readily illustrated by our four case studies. Machine governance exists in Baltimore, the city with greatest economic instability; it has, arguably, afforded sufficient stability to deter further deterioration. Reform governance is to be found in the three other cities, all of which have more stable economies. Each of the reform cities operate public institutions with a relative minimum of political consideration, thereby delegating responsibility for policy matters to professionals.

Machine Governance: Baltimore

Baltimore is a quintessential example of how a machine can foster political stability amid economic decline. This stability—and concomitant efforts at economic revitalization--have been engineered by a powerful mayor, who has pulled Baltimore back from the political chaos that prevailed during the prior administration. In so doing, the machine has lent stability to every aspect of city governance, including the public schools. At the same time, Baltimore's machine-style system of governance has left City Hall with tremendous control over public education in the city, including firm control over revenues. As a result, professional standards are often overridden by political considerations.

The election of William Donald Schaefer as mayor in 1971 did not appear at the time to signify a shift toward machine governance. A 19-year veteran of the city council with a moderate-to-liberal voting record, Schaefer was widely expected to continue the general pattern of a moderately reform mode of governance followed by his predecessors. "No one expected an iron hand, nor a crusade to develop the city" recalled an observer. If anything, business as usual was anticipated from an administration that was expected to use traditional, limited measures to offset urban decline.

The Schaefer Administration, however, was anything but a continuation of past governing practice. The new mayor moved quickly to place his distinct stamp on city policy by concentrating powers in his office and dispensing patronage to build loyalty. These activities became crucial components in his tireless efforts to orchestrate a Baltimore "renaissance." To "save" the city, Schaefer plunged Baltimore back into a machine-style political pool not seen in Baltimore since the 1950s.

This new machine hinged as much on Schaefer's enormous popularity (demonstrated in three overwhelmingly successful re-election efforts and his growing reputation as one of the nation's most effective mayors) as on traditional machine characteristics such as centralization of political power and dispensation of patronage. And that popularity was fueled by highly-visible results, from a glittering new downtown to widespread housing rehabilitation to a sea-change in Baltimore's national image ("Charm city" replaced "America's worst city" as Baltimore's monicker in little over a decade). Nonetheless, the Baltimore machine did not rely solely on Schaefer's charisma. The familiar trappings of a machine were firmly in place during the 1970s, adroitly used to assure central control over virtually every aspect of city government.

Political centralization. The 1898 Baltimore Charter provides the mayor with substantial powers, but few holders of the office have used them as thoroughly and creatively as Schaefer. The mayor directs budgetary matters and enjoys liberal appointment authority; he is the unquestioned leader of most city departments and has defused all but a minimum of resistance from the Baltimore city council. Enormous political power in Baltimore is concentrated in the city finance department and the Board of Estimates, both of which are controlled by the mayor.

Schaefer has proven particularly adroit in "circumventing city hall bureaucracy" and obtaining external sources of funding to promote development. A variety of functions have been delegated to quasi-public corporations, which shield administrators from direct accountability. Baltimore is laden with "shadow governments" that dominate many aspects of city finance and are controlled by Schaefer. These institutions are governed by trustees (often the city finance director and his close allies) who allocate local funds for specific purposes with a minimum of public oversight, even by the city council.[17] This system of fiscal management is a creation of Schaefer and his close ally, Finance Director Charles Benton.

Numerous tax breaks, loans and other incentives have been developed to promote investment; the mayor has emerged as an outspoken champion of the enterprise zone concept, and has considered developing local "zones" free of tax disincentives. Industrial revenue bonds have been floated to encourage development and all potential forms of federal assistance have been energetically pursued. The city, for example, parlayed its alliance with officials of the Carter Administration into Department of Housing and Urban Development grants well in excess of its mandated entitlement. Schaefer perfected a routine of bemoaning Baltimore's fortunes before Congressional and State House committees and in a court trial on Maryland support of public education. A dramatically different song, however, was sung before Baltimoreans and the national media, as "his instinct was to lead them in chanting Hare Krishna fashion that 'Baltimore is Best.'"[18]

At the same time that Schaefer has attempted to pump new life into the local economy, he has also attempted to rein in local governmental expenditures. He has, for example, been unwilling to permit nominal property tax rates to exceed $6 per $100 assessed valuation and has approached alternative local revenue sources with great reluctance. Hence, only fire and police services have been maintained at pre-1981 levels, as substantial service reductions have been completed in numerous areas, including public education. Unlike past machine mayors in Baltimore, eventually undermined for their "expensive mediocrity,"[19] the Schaefer machine has attempted to minimize local outlays for public services.

Potential sources of opposition to Schaefer have proven generally ineffectual. The city council is stocked with Schaefer allies and is disproportionately white. Through the 1970s only five of the 19 council members were black, well below the black percentage of city population, and a sixth black seat was delayed until 1982. Furthermore, the most powerful administrative positions in the city, especially those that deal with city finances, have been overwhelmingly occupied by whites.

Schaefer's electoral base has relied on near-universal white support and a significant portion of the black vote. Whites have little reason to complain, since Schaefer has done much to secure stability in their neighborhoods and also staved off fears of black domination of city politics, a concern that was widespread when the Thomas D'Alessandro administration disintegrated and a black mayoral successor seemed likely.[20] Blacks, by contrast, have been somewhat less enthusiastic about Schaefer but have been unable to muster a significant challenge;[21] the Mayor's 1983 primary opponent, who was black, received less than 25 percent of the vote. Blacks, too, have derived many benefits from the policies of the Schaefer regime, including unprecedented recruitment to city government positions. The school system's top administrative positions, for example, are predominantly black.

Schaefer has defused racial divisions that could have paralyzed his administration. Furthermore, he has legitimized his power by consistently using it on behalf of a common -- and popular -- goal: the economic renaissance of Baltimore. His core of allies in city council have enabled him to win passage of nearly all his proposals, and he has impressively marshalled public support for most major initiatives. "On every major civic commitment he has sought direct approval from the voters by referendum; he won all but one of them."[22]

To realize such a phenomenal political track record, Schaefer has been a master coalition-builder, whether by placating the black community or by enlisting the support of Baltimore business leaders. Having become the virtual embodiment of a national movement to gentrify aging urban centers, Schaefer's most effective weapons have been "gall, soft soap, hard nose, demonic energy, and the kind of showmanship Baltimore has not seen since the death of vaudeville."[23]

Prevalence of patronage. Schaefer and his machine have not, of course, retained power merely on the basis of good intentions and institutional authority. The mayor has also taken full advantage of his control of city employment in molding a loyal city work force. Despite significant population decline, the full-time city payroll expanded from 37,000 to 41,000 between 1970 and 1978, increasing from 412 workers per 10,000 population to 498,[24] a growth made possible, in large part, by the increase in non-local revenues.

There is little evidence that city workers are required to perform political services — such as delivering their precincts come election time -- in exchange for continued opportunity for employment. Schaefer, therefore, is less a machine "boss" than conductor of the entire enterprise of city government, who expects loyalty from his employees. The mayor devotes many Sundays to patrolling city neighborhoods in his aging Pontiac, "furiously jotting 'Mayor Action Memos' about the potholes here, the garbage pileups there, a street light in between. They get action on Monday, or else."[25]

Machine influence on the Baltimore Public Schools. The mayoral grasp is evident in the public schools, although it is constrained in various ways. The mayor appoints the nine-member school board, the city exerts authority over school finances, and its Board of Estimates oversees all public school expenditures. However, the mayor and the superintendent have developed an understanding whereby relatively small class sizes are protected, some administrative autonomy is preserved, and black leadership goes unchallenged, in exchange for a school system that runs with a minimum of controversy and boasts of student improvement on standardized exams.

If circumscribed in certain respects, politics nonetheless permeates school policy in Baltimore more than in any of the other three districts included in the study. Turmoil in a predominantly black school system threatened the political stability sought in the early years of the Schaefer administration and a massive overhaul was achieved. The first black superintendent, Roland Patterson, was appointed in the late 1960s, just prior to Schaefer's election in 1971. He became a central figure sympathetic to rising black unrest in the city, promoting plans to desegregate the system, decentralize it into nine regions, and encourage community participation. His decentralization plan declared all administrative and supervisory positions in the system to be vacant, and called for the superintendent to select replacements for all top level positions. Each of these efforts met considerable resistance and never reached fruition. Instead, Patterson was most successful in hiring and promoting a large number of black administrators and teachers. He met little outward resistance from Mayor D'Alessandro, who was anxious to appease the black community, but was in constant conflict with Schaefer, the city council, and a city school board that increasingly reflected the concerns of the new mayor. The atmosphere in the school system during Patterson's administration "was a cross between a grand opera and World War II," noted a newspaper columnist.[26] The district was further destabilized by a divisive teachers' strike and a rapid decline in student achievement scores during his tenure.[27] The Patterson administration was, in short, the antithesis of the more centralized, fiscally dependent, and philosophically compatible Department of Education that Schaefer preferred.

Patterson's contempt for the mayor and the school board assured his downfall. The board, with Schaefer's tacit support, removed him from office in 1975, after a prolonged court battle waged by Patterson to save his job. Prior to leaving the system, Patterson told a group of graduating high school seniors in October, 1975, that city leaders "degrade and discredit any black leader who is doing his job adequately."[28] His remarks and departure did not, however, lead to any sizable protests or reversal of strong black representation within the school administration or in teaching positions.

Upon Patterson's departure, Schaefer moved to create a school system more responsive to his preferences. Through his power of appointment to the school board, Schaefer wielded great influence over the process of superintendent selection. Schaefer sought a new school chief more compliant with his interests -- securing a stable school system -- but he also recognized the imperative of a black successor. John Crew, a former Morgan State University professor who entered the Baltimore system as a Title I evaluator, emerged as the replacement. "In the public mind, learning had been replaced by antagonism and by disputes with more than a hint of racial overtones," observed one analyst. "Into this [situation] came John Crew."[29] Crew successfully reconciled political expediency with a commitment to improved service during his seven-year superintendency that ended with his 1982 retirement. He assumed an administrative style analogous to Schaefer's, frowning upon any dissent within the system and seizing every conceivable opportunity to promote the Baltimore schools. Basic skills received special attention; mastery learning techniques were applied and heralded as a major pedagogical breakthrough. In the process, a battery of testing devices were employed to measure student improvement. City students had trailed national averages in reading and mathematics by approximately two instructional years in 1977. Five years later, they were "almost even" with the national averages, the strongest showing since the administration that preceded Patterson's.[30]

"From the depths of disgrace in 1975," wrote Crew, "the system has reached a level of student achievement that few would have predicted five years earlier."[31] Crew and Schaefer took this as evidence that their vision of public education had already made a major difference for the better.

The superintendent controlled appointment of administrative positions and continued the heavily black representation begun under Patterson. Most of the leading actors in the school hierarchy were also staunch supporters of Crew. Acquisition of a desired position was said by many to hinge more on loyalty than ability. This was consistent with the overall effort to secure a stable school system by maintaining traditional programs and neighborhood schools even when population declines left them underenrolled. A few experimental forays were attempted, including the Schaefer-endorsed development of a modern vocational training center. But these were exceptions, as even federal categorical funds were perceived more as supplements to standard programs than sources for experimentation.

Metropolitan Reform: Dade County

Dade County's expansive territory — eighty-seven miles north to south, fifty-two miles east to west — stretches from Miami to the fringes of the Everglades. Dade includes posh suburbs as well as rural areas. As its way of life has become increasingly influenced by the Spanish language and Latin American investment, Dade has, in certain respects, come to resemble an enclave of Latin America as much as a political sub-unit of the United States.

The nature of politics and governance in Dade County are equally distinct from the remainder of Florida and other major urban areas, although they are generally consistent with what is usually called reform government. An unusually large number of governmental functions have been concentrated in a "metropolitan," county-wide authority since the mid-1950s; such consolidation and depoliticization of service provision has long been favored by reformist advocates but rarely put into place to such an extent as in Dade County. Moreover, those governmental functions retained by the twenty-seven municipalities located within county boundaries also abide by such basic tenets of reformist governance as merit-based recruitment and non-partisan elections.

As in any reform system, overt politics is not absent but it tends to be overshadowed by administrative processes. There is, as we shall see, little in the way of concentrated political power. The coexistence of consolidated government with substantial delegation to municipalities has served to fragment authority. Few prominent and politically potent leaders have emerged at either the metropolitan or municipal level, and patronage is largely unavailable as a device to secure and perpetuate power.

Dade County is in many respects, therefore, the antithesis of the Baltimore-type machine system. Nonpartisan boards and largely anonymous administrators are scattered across a large and socially diverse county. They form a loose confederation or consortium that is responsible for much local service delivery. There are no imposing political figures such as a Mayor Schaefer, no concentration of political power and resources in a City Hall, and no central force to promote political stability. "With the exception of the 1930s, when a short-lived political machine emerged, political leadership in south Florida has been fragmented," explained one analyst. "As a result, no strong political loyalties have been developed among Miami metropolitan area residents."[32] Envisioning the politics of Dade County is tantamount to expanding any of the three other school districts in this study to include several suburban communities and then strapping them together into an administrative structure that is both professionally controlled and greatly fragmented.

Political decentralization. Dade County's official characterization as a "comprehensive urban county government" is somewhat misleading. Such a description exaggerates the extent to which governmental functions have been concentrated at the county level. Dade did indeed constitute a historic breakthrough for advocates of metropolitanization when the first "Metro" government in the United States was authorized by county voters in 1957. This type of governance configuration had long been a favorite among reform advocates, who anticipated that greater efficiencies and less political interference in government could be achieved by concentrating functions in a central authority. Rather than a first step toward comprehensive consolidation, however, metropolitanization has been the subject of controversy and repeated efforts to modify county responsibility rather than expand it. In the mid-1960s, Edward Banfield observed that Metro was "waiting for the time to be right" before seeking a major expansion of its functions.[33] By all subsequent accounts such a propitious time never occurred.

The continued existence of Metro, to be sure, has never been seriously challenged nor the breadth of its authority substantially weakened. It is authorized to engage in such diverse activities as expressway construction and the operation of mass transit systems, zoning and business regulations, and the provision of park and recreational services. Metro was also empowered to establish "reasonable minimum service standards for all governmental units in the county to meet and to take over an activity if there was failure to comply with these criteria."[34]

However, its responsibility for Dade County governance is shared with municipalities that reserve "all powers relating to its local affairs not inconsistent with the Metro charter."[35] The municipalities successfully "established their main point, which is that [Metro] must keep its hands off their most cherished functions" as early as the mid-1960s.[36] Moreover, Dade County has eight single-function districts that operate independently of the official Metro umbrella and are responsible for such services as water supply, housing and urban renewal, and public education.

The absence of strong county control over many aspects of Dade governance and politics is attributable both to this sharing of authority with other governmental units and to the absence of strong political leadership at the county level. One observer characterized Dade County as "unbossed" and "erratically led" in 1964, and there is little evidence to suggest that this pattern has changed.[37] Other analysts also have contended that the at-large, nonpartisan nature of elections to the board of county commissioners guards against strong concentration of authority among any particular set of officials. The county is so large and diverse that such elections "prevent any elected political official from building a political base to respond to interests of individuals in a particular geographic area."[38]

This county governance pattern is further reflected in Dade's largest municipality, the City of Miami. Nonpartisan, at-large council elections here, too, tend to mitigate empire building by elected Miami officials; substantial power is unlikely to be concentrated in the mayor's office since it is a part-time position that is filled by elections every two years. The reform tradition is also evident in the presence of a city manager form of local governance. As in Metro, substantial authority for most aspects of governance is delegated to administrative professionals, in sharp contrast to machine systems such as one finds in Baltimore.

Absence of patronage. At the same time that elected officials find it very difficult to amass political power, the absence of patronage as a potential political resource guards against the development of a political machine. All county commissioners, for example, are elected to serve on a part-time basis; their lack of a territorial base and the emphasis on professional administration in local service delivery minimizes any patronage-like authority. Most public services, therefore, are provided with a minimum of direct political interference.

Metro encouraged this pattern by eliminating the patronage orientation of prior county governance in Dade County. Whereas "pre-Metro county officials used patronage, contracts, and personal charm to build a political following,"[39] and often retained office over extended periods, both patronage and powerful commissioners have largely disappeared since 1957. Under Metro, observed Banfield, "the jobs and contracts are distributed by the manager, and commissioners' followings have shrunk accordingly."40

The reform pattern of governance is further enhanced by the absence of organized group pressure so commonplace in machine-oriented systems. Organized labor is very weak in Dade County, and virtually nonexistent in major economic spheres such as banking and tourism. Ethnic subdivision of the county and its municipalities is constantly on the minds of most political officials, journalists, and residents, but it has not yet been translated into strong ethnic political blocs. If anything, the growing (Hispanic and black) population has made the present reform government more attractive to whites. At-large elections have served to retain white control of the vast majority of political posts at the county level. This pattern is also evident in the City of Miami, where white political representation is disproportionately large given the sizable Hispanic and black communities.

Absence of political influence in the public schools. The metropolitanization of public education in Dade County occurred more than a decade before the emergence of Metro. By promoting a reform tradition that minimized patronage, it influenced the public schools in the same way that Metro influenced the delivery of other local services. Prior to the state legislation and county referendum that brought about consolidation in 1945, ten independent school districts operated in Dade County. The boundaries of only one of these, Miami Beach, coincided with municipal boundaries.[41] The consolidation attempted to eliminate widespread disparities in the educational services provided within the county[42] and also wrested control of public education from the hands of existing political subdivisions. Given its twelve-year head start toward metropolitanization over Metro, the county school system matured organizationally in advance of Metro and operated independently of the more politically-oriented county government of the period.

The Dade County Public School system, therefore, is an independent district that has minimal contact with either Metro or city governments. The Dade schools operate in virtual autonomy from individuals and influences not officially linked to the school system. Public education rarely emerges as an issue among candidates for county or municipal office. Most decisions are made by a consistently strong central administration and a school board that is politically prominent if not necessarily powerful. Administrators and board members are proud that their school system is unusually "progressive" and ranks among the finest in Florida and the Southeast.

The absence of severe fiscal woes and the relative isolation from external politics does not, however, altogether obscure the fissures left by a scandal that rocked the district in 1979 and 1980. Johnny Jones, the district's charismatic superintendent and the first black leader of a Florida public school system, was convicted of using public funds to pay for plumbing fixtures for his vacation home. The Jones' Administration may have been more effective rhetorically than educationally but did develop a wide range of innovative programs in an effort to build Dade County into the "crown jewel" of public education in the Southeastern United States. His conviction and departure from the Dade schools shook the very foundations of the system and reversed unprecedented black gains in acquiring positions of high authority.

Jones was an anomaly among Dade County public officials because he attempted to transform the reform, politically-independent school system into a machine-like organization. He claimed that he wished to decentralize school system governance, but he applied whatever patronage power he had and brilliantly used abundant media attention to dominate the system and the school board. These efforts were short-lived, and even at the height of his power Jones never completely eliminated the reform nature of the school system. Since his departure, a more moderate white successor, Leonard Britton, has returned the system to its former, less political style, although the top administrative positions continue to reflect the preferences of the incumbent superintendent.

The Jones controversy served to illustrate the relative independence of public education in Dade County from external political influence. In contrast to Baltimore, where the demise of a controversial superintendent opened the door to renewed influence by the mayor, in Dade County even a highly-publicized trial of the schools' chief executive officer did not jeopardize the schools' independence. Neither the internal scandal nor Jones' efforts to construct a machine within the school district managed to rupture the reform barrier that minimizes external and internal political influence on public education.

The independence of the Dade public schools from local political influence is further secured by its stable funding base and the major role that the Florida Department of Education plays in local school funding and oversight. The absence of serious concerns over funding public education tends to preclude any potential local political influence. Unlike Baltimore city government, which directly controls the funds available to public education, the Dade schools raise their revenues by levying their own school tax. Although the district is partly reliant on external support, it is dependent on the state legislature and the state department of education in Tallahassee, which makes the case of the governor and the legislature on behalf of all the state's schools. And since Florida public officials have proved willing to increase school funding, the fiscal interests of public educators in Dade County have been well-served.

Progressive Reform: Milwaukee

Milwaukee residents pride themselves on the Gemütlichkeit nature of their community.[43] They contend that a number of factors make Milwaukee a special city, one which promotes community over individuality, cordiality over acrimony, and stability over transiency. Unlike Baltimore, there is no machine to orchestrate the local polity and economy. The city has long had capable political leaders, but they have never developed a city government that is either highly centralized or based on patronage. Instead, Milwaukee's special blend of reform government with strong leadership and a sense of community reflects and perpetuates its unique social and political culture.

A tradition of reform political movements and progressive-socialist leaders established a broad base of social services early in the century. This created an unusually large role for the public sector when compared to other American cities, but it scattered power among a wide array of elected and appointed officials and bodies. The city regularly elected flamboyant mayors, from Emil Seidel, former secretary to poet Carl Sandburg, in 1910, to six-term incumbent Henry Maier, beginning in 1960, but these mayors generally worked cooperatively within a highly professionalized political system rather than dominating it through patronage and centralized control. "The significant impact of the progressive movement in Wisconsin left municipal structures in Milwaukee among the most reformed in the country."[44]

Political decentralization. Socialists and progressives established high standards of professional administration that have endured. "Sewer Socialists," known for their emphasis on effective city services, held the mayoralty for 38 years between 1900 and 1960, "establishing traditions of balanced budgets and squeaky-clean honesty in government."[45] These socialists operated in coalition with progressive groups that had no consistent philosophy other than an antipathy for traditional parties. Since 1912, "local elections have been on a nonpartisan basis, and there are times when the Common Council represents the nineteen different points of view of individual aldermen and the mayor a twentieth."[46]

Individual political leaders have become personally popular, but have rarely attempted -- much less been able -- to concentrate power. Instead, they have presided over an unusually active array of business and neighborhood organizations and coordinated the various public services that were provided. Reforms such as municipal ownership of utilities, graduated taxation of individuals and corporations, and slum condemnation were carried out early in the century, well before they became serious issues in most other municipalities. The socialist-progressive coalition also reserved ample land for park use, protected the Lake Michigan frontage from private development, created public health facilities that offered extensive care for the indigent[47] and extensively applied zoning law and land-use planning techniques to make Milwaukee an unusually well-planned city. "I didn't know or care about it then — or for some time to come -- but it occurs to me now that both Wisconsin in general and Milwaukee in particular were blessed by extremely liberal administration," recalled one of Milwaukee's most famous former residents, the late Israeli Prime Minister Golda Meir.[48]

The socialists have since passed from political prominence and many of the reform movements have ebbed. Milwaukee, however, continues to bear many of the political and social hallmarks that distinguish it from similarly-sized cities in the Midwest and Northeast that have had strong political machines or machine-style governance. The modern successor to Seidel and Frank Zeidler (Milwaukee's last socialist mayor who served from 1948 until his 1960 retirement), Henry Maier, has been more of a professional politician than devoted reformer. Yet he has done little to alter the highly decentralized nature of city government.

Absence of patronage. Maier's lengthy reign as mayor has been more attributable to his political acumen than any exercise of patronage powers. The public, notes Maier, expects "the mayor to lend his ear to neighborhood opinion, and a great amount of his time is taken up with ceremonial appearances."[49] His secret to success is preserving what exists — particularly economic stability and the array of public services left by his predecessors -- and he has become famous for "stopping by to say a few reassuring words about the state of the city."[50] His political resourcefulness was perhaps best demonstrated when faced with the greatest single threat to city stability: racial unrest. Whereas other major city mayors were perplexed by racial disturbances of the mid-1960s, Maier, by anticipating them, defused tensions and gained electoral support.[51]

Any Milwaukee mayor lacking such political skills, in fact, could be rendered largely ineffective by the numerous structural impediments to mayoral power. "A relatively autonomous municipal bureaucracy is governed by strong civil service regulations, the electoral system is nonpartisan and a weak mayor-strong city council arrangement literally has eliminated any possibility of patronage from the municipal executive."[52] The socialist-progressive tradition that left Maier such unusually fine services also continues to curb any semblance of machine-style control of city employment and exercise of patronage. A high sense of professionalism began to permeate city agencies as early as the 1910s and has shown few signs of weakening. "The central city's reputation for honest and competent administration is well known," explained two analysts.[53]

The mayor, furthermore, is denied appointment power for many prominent positions and has little authority over the police and fire departments. The Wisconsin legislature "removed the police and fire departments from the mayor's direct supervision" in 1911. "Though the clause that makes the mayor chief executive was not directly repealed," noted a former mayor, "his powers were modified and no direct means are now provided by which the mayor can enforce his orders against either department."[54] Beyond lack of control over fire and police, and, as we shall see, public schools, many revisions in the 1874 charter have succeeded in "placing checks on the powers of the mayor." Taking advantage of these checks, during Maier's tenure a bloc of independent aldermen has proven increasingly vociferous in recent years. Board appointments and commissions usually require council approval, and unlike Baltimore, must take into account council preferences.

While the Baltimore mayor commanded compliance with his strong stands on many issues, Maier has consistently cultivated allies and has become a master of moderate, non-stances on many major issues. For example, he has avoided any involvement in planning the location of public housing projects, refrained from comment on the 1976 court order to desegregate the public schools, and promoted a stance of impartiality in recent controversies over police brutality. Instead, he has emphasized city fiscal stability and proven particularly responsive to demands emanating from community groups located on the city's predominantly white south side or those that represent downtown business concerns.

Absence of political influence in the public schools. The themes of decentralization and absence of patronage in Milwaukee are even more evident when applied to public education. The mayor and city government are noticeably quiet on most educational issues and have but marginal direct influence on the Milwaukee public schools. Public education is treated as a distinct public service, with a set of professional standards all its own. Unlike Baltimore, the school system is not an arm of city government. At the same time, public activity in the form of organized groups is substantial and has a comparatively high impact on school policy. The Milwaukee Public Schools, in fact, may listen more closely to the state department of education in Madison than to the City of Milwaukee.

This independence from City Hall notwithstanding, the operation of the public schools generally resembles the reform pattern of public service delivery in the city. Unlike many urban school systems in the region that have been plunged into conflict because of revenue shortages, declining enrollments and desegregation, Milwaukee continues to run its school with relative stability. The district, for example, has been particularly effective in its orchestration of a far-reaching desegregation program, the linchpin of which has been the magnet schools concept. The magnet school, which allowed some parental choice within a plan that desegregated many schools, reduced the acrimony endured by many other major urban school systems on the desegregation question. The politics of this process are discussed in Chapter VI.

Milwaukee's reform pattern can also be seen in the fiscal policies of its school system. The independently elected school board authorizes annual budget requests and appoints the school superintendent with a minimum of formal input from the mayor and city council members. Instead, the superintendent and his cabinet (which includes the deputy superintendent, all seven assistant superintendents, and the business manager) take responsibility for most administrative matters. They deal with a myriad of organized groups, as school-related interests are generally more prominent and influential in Milwaukee than in any of the other three school districts studied. Nonetheless, central administrators have skillfully disarmed many of these interests and transformed them into allies. This ability was crucial in school desegregation, as a wide range of business and community organizations were united behind the common objective of peaceful desegregation. As we shall see in Chapter VI, the emergence and subsequent influence of the Committee of 100 was directly attributable to the coalition-building skills of school system administrators.

The administration has generally kept its board at an arm's length from the direction of school policy, both on major policy issues and especially on personnel appointments. Superintendent Lee McMurrin, head of the schools since 1975, has kept decisions largely within his hands even when disagreement has emerged on the school board. Milwaukee's tradition of reform has seemed to turn school disputes into items of debate among board members instead of conflicts between board and administration. Even though school elections have become increasingly politicized, changes at the board level have yet to be decisive for program operations, though some administrators have begun to yearn for the quieter days of bygone years.

The politicization of the board has been accentuated by changes in the state law on school board elections. The state legislature, ignoring the unanimous opposition of Milwaukee school board members, has changed the board from a fifteen-member body, with members elected at large, to a nine-member body, with eight members elected from paired aldermanic districts and one elected citywide.[55] The transition process was gradual with the new format not completely instituted until 1983. In recent years, the board has been divided between an older, more conservative faction (that attempted to block the desegregation program) and a younger, more liberal faction. The board has proven consistently unpredictable in this period and has lacked leadership. Selection of the board chair is an annual donnybrook; thirty-one ballots were needed to elect the 1981-82 chair and fifty-six ballots were required the following year.[56]

Conservative Reform: San Diego

The City of San Diego resembles a patchwork of suburbs instead of a dense, central city. The various subsections of the city are linked by vigorous economic growth and a general distaste for public sector activities. "For many persons, noted one analyst, "San Diego personifies America's suburbia," more an "anti-city" than a major urban center.[57] A conservative, pro-business philosophy has been accompanied by a reform government that minimizes the power of elected officials.

Unlike Baltimore and Milwaukee, local government in San Diego is treated as a necessary evil. Although the city possesses numerous potential sources of taxation and is situated in a state known for its eclecticism and willingness to fund experimental public services, San Diego has historically shown disdain for many public services other than police and fire protection, and, in certain respects, public education. This pattern has continued into the late 1970s and early 1980s, as only police and fire department budgets have been increased during a time of local government service cutbacks.[58]

San Diego possesses none of the _Gemütlichkeit_ and history of public activism that has permeated Milwaukee life for decades nor the political activism that spawned the Schaefer machine in Baltimore. Instead, its neighborhoods are gathered in a loose confederation that has traditionally sought to minimize political interference. San Diego has proven a relatively safe haven for Republican candidates for state and national office and has regularly elected officials who proclaim allegiance to laissez-faire economics and promise to minimize local governmental interference with local economic growth. The Republican party, noted one political analyst in 1962, "remains dominant in San Diego because it expresses the fundamental conservatism of the whole metropolitan region."[59] Such an assessment remains equally correct more than two decades later, as a statewide backlash against the public sector has only entrenched the conservative political philosophy that guides San Diego. The city has consistently sidestepped issues of great concern for other major California municipalities. Whereas Los Angeles has established rent control, the San Diego city council has approached the very concept of controls with abhorrence; whereas San Francisco has responded to rising crime with gun control legislation, San Diego has pumped money into its local police force; whereas Santa Monica has imposed numerous impediments to unregulated development, San Diego leaders chafe at the discussion of a similar strategy for their community.

Political decentralization. San Diego's conservative political orientation has been accompanied by a commitment to nonpartisan, bureaucratically-led government. San Diego has attempted to minimize the authority of elected officials and relied heavily upon professional administrators for the delivery of basic services. San Diego was among a handful of large American cities to adopt a city manager form of government that, to a large degree, minimizes the power that any elected officials might amass. "City manager government in San Diego rests on the premise that the proper administration of government closely resembles the administration of business."[60] Even though managers have served at the invitation of the city council, their superior staff resources have made the office traditionally a strong competitor for political influence in any battles with elected officials. By contrast, the mayor and council members have been elected to serve only on a part-time basis, receiving modest compensation and supported by only minimal staff.

However, a recent trend toward increased political influence by elected San Diego officials has tended to create more pluralistic policy making, one consistently conservative and increasingly skeptical of bureaucratic influence. Characteristic of San Diego politics, this modification of the reform system has not led to the rise of any single, all powerful elected official. If anything, it has further splintered political control between elected and appointed officials, all anxious to appease a local public skeptical of many governmental activities.

Much of this shift toward greater influence on the part of elected officials is attributable to the efforts of Pete Wilson, mayor from 1971 to 1982. By the time he was elected as a Republican U.S. Senator in 1982, Wilson had been widely applauded for fiscal prudence and orderly development during his tenure in city hall. He sought to minimize spending growth and allocated most increases to the area of public safety; he won approval of an ordinance prohibiting strikes by public employees; and he pushed through a city charter amendment that surpassed statewide "propositions" in curbing local capacity to amass and spend tax revenues.[61]

In so doing, Wilson also wrested some authority away from the city's professional administrators and thereby gave elected officials, particularly himself, greater influence. His proposal in 1973 for a strong mayor system was rejected by the voters, but he did attain voter approval of a 1974 charter amendment, which made mayoral and council positions full-time. Salaries of elected officials and their support staff increased: the mayor's staff more than doubled from 1972 to 1982, the mayor's office budget increased five-fold, and council staff and budgets expanded similarly. Moreover, after working with three city managers in his first eight years, Wilson settled into an effective working relationship with a fourth manager, Ray Blair. "Budget proposals and policy shifts [were] discussed" by the manager and mayor "before they [were] made public by the city manager," representing a dramatic shift from the past preeminence of the manager.[62] Nonetheless, one local reporter, noting that the mayor had only qualified, not usurped the manager's traditional authority, declared, "Blair. . . is not merely Wilson's lackey."[63] Wilson and Blair, in fact, consistently joined forces in attempting to limit city expenditures, in direct response to public preferences, as expressed by California's Proposition 13 and local Proposition J. In the process, administrative staff was limited in a number of city departments, pension benefits for new employees were trimmed, and many management employees were stripped of civil service protection.

This recent transformation to stronger mayoral leadership may be temporary, attributable more to Wilson's considerable political skills than to any structural shift in local politics and governance. Widely cited as "San Diego's most powerful mayor" in its history,[64] Wilson did not alter the structures of political influence. "Nothing in the [city] charter gives the mayor authority over the city manager that Wilson has acquired," noted a San Diego journalist. "Nothing requires council members to defer to the mayor or look to him for leadership."[65] This has become evident in the more limited influence exercised by Wilson's successor, Roger Hedgecock.[66]

Absence of patronage. Wilson and Hedgecock were restricted in that they commanded few of the political resources available to the mayor in a machine system. Political scientist David Greenstone's observation in 1962 that the scarcity of material incentives such as patronage encourages greater emphasis on personalities and ideology[67] continues to apply in the 1980s. San Diego elected officials spent much more money to gain election and earned much more money in office by the 1980s than in the 1960s, but still had few patronage resources.

Wilson's emergence as mayor was largely attributable to his "Honest Guy" reputation in the aftermath of a political scandal that rocked the reform tradition of city politics. Once former mayor Frank Curran and eight city council members were indicted in the early 1970s on charges of bribery and conspiracy in their dealings with a local cab company, San Diego reaffirmed its antipathy for anything smacking of political favoritism and patronage. It was unlikely, therefore, that any successors to Curran and the council of the time would be given much latitude in developing patronage power. In addition, numerous impediments, including the resiliency of professional administration in most city services and a committee system in the city council that allows the public to express its views of proposals before they are taken to the full council, prevented creation of a patronage-based political machine.

San Diego politics also operates largely in the absence of pressure group influences. Organized labor and ethnic-based groups are very weak in the city and make few claims on city resources. The most active groups tend to concentrate on growth-related issues, either attempting to propel, redirect, or prevent development. Among the more influential of these groups in recent years have been those promoting preservation and restoration of the city's older districts in the downtown area.

Even the city's most prominent ethnic group, the Urban League, has reflected this emphasis on issues related to economic development rather than delivery of services.[68] The business community is prominent in local politics, and to a substantial extent, its preferences are acknowledged by elected and appointed officials. Businesses, for instance, can easily receive a favorable hearing from a local government on zoning matters. More generally, the business community profits by the San Diego government's inclination to limit taxes and public expenditures.

Absence of political influence in the public schools. Public education in San Diego has been similarly free of political pressures. Not only does City Hall exert minimal influence over the San Diego public schools, but highly professional administrators have dominated most aspects of school governance. In fact, San Diego's schools enjoyed a lengthy period of stable leadership, inasmuch as Superintendent Robert Goodman remained in office nearly as long as Mayor Wilson.

Throughout most of Goodman's eleven-year tenure, the schools enjoyed expansion and reasonable fiscal support. Goodman fought successfully in 1974 for passage of a $110 million bond issue to permit construction of twenty-two new schools plus the rehabilitation of others, and was "credited with increasing the political consciousness of local school superintendents" in California and preparing them for advocacy before state and federal legislators.[69] He was also a founder of the Federally Impacted School Districts Association, which lobbied to perpetuate the federal impact aid program that generated substantial amounts of money for San Diego. For most of the time Goodman was in office, San Diego gave every impression of being a well-managed, fiscally-sound public school system.

That impression changed, however, in the latter half of the 1970s. Like many school districts, San Diego's experienced enrollment decline for the first time, dropping from a peak of 147,629 students in 1971-72 to 109,734 in 1979-80 (Table III-5). In turn, funding pressures increased, aggravated by restrictions on various revenue bases. Furthermore, a teacher's strike and an effort to launch a voluntary desegregation program (see Chapter VI) left lasting tensions in the latter half of the 1970s, exacerbated by the need to consider staff reductions and school closings.

The erosion of professional stability was further accelerated by a scandal in 1980 that culminated in Goodman's departure and more frequent and intensive participation in public education by school board members. The scandal did not directly involve the superintendent, but it undermined his standing and the integrity of his program for voluntary school desegregation. One element in this program, which was developed under court order, called for special services for low-achieving students in racially isolated settings together with an evaluation by means of standardized tests that demonstrated indisputable educational progress. The revelation that students enrolled in racially-isolated schools received improper coaching prior to taking tests was most embarrassing, especially since Goodman and other school officials had embraced initially favorable test scores as a signal that the program was succeeding.

This test controversy culminated a period of difficulty that had begun with Goodman's alleged reluctance to cooperate with the school board in developing a voluntary desegregation plan, and his inability to reconcile competing judicial, school board and local preferences on school desegregation. Goodman was ousted in 1982,[70] with his dismissal illustrative of the new claim to power by a once-quiescent school board. "The lines between board policy making and administrative detail are rarely clear in any school district, but the balance in San Diego has shifted dramatically to board intrusion," observed Stanford University professor Michael Kirst, who chaired a panel appointed by a court to study the increasingly troubled school system.[71] The board that emerged in the 1980s represented a dramatic contrast to earlier boards that had regularly ratified administrative recommendations and permitted the superintendent and top aides to decide the agendas for board meetings. In this regard, the school board resembled the increasingly assertive role of San Diego elected officials in the late 1970s and early 1980s.

In both instances, however, the new influence of elected officials has occurred in an environment in which highly professional, reform structures have been maintained. In the public schools, for example, the principle source of board-staff conflict was board unhappiness with a veteran superintendent rather than a desire to alter the basic division of responsibilities. The new superintendent was selected because he was known for strong leadership and independence from political forces. Furthermore, despite recent efforts of the school board to exert greater influence over local school affairs, there has been no indication of other city officials becoming involved in educational policy making. At this time, San Diego public education still remains largely free from partisan forms of political influence.

Conclusions

Baltimore, Dade County, Milwaukee and San Diego provided diverse sites in which to examine the operation of federal education programs. Baltimore was a machine-run city suffering from economic decline and fiscal deterioration. The Dade County schools enjoyed the fiscal dividends that stemmed from south Florida's expanding prosperity and their administrators acted with the independence that appointed officials seem to acquire under a system of metropolitan-wide reform. Milwaukee schools were also professionally directed, but here the legacy of reform was more in the progressive tradition where political activism and good government continued to coexist even in times of economic constraint. In San Diego conservative reform in the midst of economic growth provided still another context for educational policy. These differing economic and political characteristics provide an opportunity for examining the way in which local context affects national policy. In subsequent chapters, we shall show how distinctive characteristics of each site helped shape federal policy. Where economic and fiscal capacities were greater, cities were more responsive to federal expectations. Where administration was firmly controlled by professionals, local and federal orientations tended to concur. Where economic and political circumstances were not so favorable, intergovernmental relations were less cooperative. To see more exactly how these factors affected federal policy we turn in Part II to the administration of the six educational programs in these four cities.

Footnotes

1. Miami is the urban center of Dade County, in which services traditionally provided at the city level are shared between municipalities and the county--Metro--levels. Public education services, for example, are provided on a county-wide basis.

2. Betty Showell, "Baltimore City: Its People, Its Government, Its Politics, 1954-1975." Unpublished paper, Department of Education, University of Chicago (August 1981), p. 4.

3. Michael Demarest, "He Digs Downtown," Time (August 24, 1981), pp. 42-5.

4. See Peter Meredith, "Study Says Area's Industrial Foundation is Crumbling," Baltimore Sun (December 17, 1982) and Miles Maguire, "Planning Group Sees Slower Growth," Baltimore Sun (December 7, 1982).

5. See Sergio Diáz-Briquets and Lisandro Pérez, "Cuba: The Demography of Revolution," Population Bulletins 36 (April 1981), pp. 25-6. From Raymond A. Mohl, "Miami: The Ethnic Cauldron," in Sunbelt Cities: Politics and Growth Since World War II. Richard M. Bernard and Bradley R. Rice, eds., (Austin, Texas: University of Texas Press, 1983), p. 70.

6. James Kelly, "Trouble in Paradise," Time (November 23, 1981), p. 24.

7. Mohl, p. 58.

8. Larry Birger, "In a Faltering Economy, Downtowns Show Muscle," Miami Herald (October 25, 1982); James Russell, "Miami's Aim: To Be a Major American City," Miami Herald (October 25, 1982), p. 1.

9. Mohl, p. 66.

10. "Blemished Boom," *The Wall Street Journal* (November 28, 1979), p. 1.

11. Henry J. Schmandt and William H. Standing, *The Milwaukee Metropolitan Study Commission* (Bloomington, Indiana: Indiana University Press, 1965), p. 7.

12. Louise Levathes, "Milwaukee: More than Beer," *National Geographic*, vol. 158, no. 2 (August 1980), p. 184.

13. Levathes, p. 197; also see Schmandt and Standing, pp. 34-5.

14. Ibid., pp. 186-7.

15. See Terry Colvin, "1982-83 School Budget Unveiled; Cutbacks Are Urged to Avoid Deficit," *San Diego Union* (May 12, 1982). Also see Colvin, "Chickens Coming Home To Roost—in Schoolhouses—Over Prop 13," *San Diego Union* (April 12, 1982) and Daniel C. Larson, "Are Schools on the Brink of Disaster?" *San Diego Union* (March 14, 1982).

16. Joel D. Sherman, "Changing Patterns of School Finance," *Government in the Classroom: Dollars and Power in Education*, Mary Frase Williams, ed., (New York: Praeger, 1979), p. 71.

17. See, for example, "Back to the Shadows," *Baltimore Sun* (June 27, 1982).

18. Daniel Berger, "The Politics of Envy," *Baltimore Sun* (June 14, 1982).

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PART II

Developmental and Redistributive Policies

Chapter IV

DEVELOPMENTAL POLICY: THE POLITICS OF CONSENSUS

Federal developmental policies ask state and local governments to do what local officials are likely to want to do in any case. These politics are akin to a neighborhood improvement program that pays homeowners to landscape their land. Since the beauty redounds to the neighborhood, not just to the property-owner, it may be justified as a community expenditure. Yet the homeowners, though perhaps unwilling to commit their own funds to the activity, have no objection to spending community dollars on a project that increases the value of their property. The local government that accepts federal dollars to promote community development finds itself in an analogous situation.

Because federal and local objectives are similar, developmental programs are marked by minimal regulation, mutual cooperation, and limited federal oversight and evaluation. If everyone agrees on objectives, issues of administration and procedure are more easily resolved. This does not mean that local governments are without criticisms. They will complain about form preparation, required documentation of community needs, and uncertainty of funding. Even more, they will assert that other less needy or less worthy communities receive more resources (because of some quirk in the law or some apparently unjustifiable rule) or that overall funding levels are utterly inadequate. Nothing is in such short supply or great demand as unshackled monies. Yet complaints about the size and administrative structure of a program differ dramatically from complaints about policies and purposes.

If developmental programs are largely unstructured, the reverse is also the case in that unstructured policies take a developmental direction. If Congress decides on a block grant or insists that aid be distributed with as few strings as possible, local governments will tend to use the money for community development rather than for a special needs population. The community development strategy may vary of course. In some cases, the federal revenue will be substituted for local revenue and taxes will be decreased (or at least not increased) accordingly. In other cases the money will be spent for general community services that the city perceives to be a vital part of the community infrastructure. In still other cases federal money is used specifically to transform land use in specific neighborhoods in the pursuit of overall civic betterment.

Each of the three developmental programs whose legislative politics were described in chapter II--the National Defense Education Act (NDEA), impact aid and vocational education--illustrate these patterns of intergovernmental cooperation in somewhat different ways. NDEA exemplifies how loosely structured a developmental program welcomed by local officials can be. Impact aid is best conceived of as a block grant program which in the absence of federal strings assumed a developmental orientation. Vocational education, the largest, most complex, and most ambitious of the developmental programs shows how little the federal government can do to regulate developmental strategies.

National Defense Education Act

NDEA sought to improve the nation's scientific, mathematical, and foreign language programs. Local school districts had a similar mission (however inadequately it may have been realized in some communities). Given this similarity of goals and a political atmosphere inimical to centralized direction, the Office of Education exercised great restraint in the requirements that it issued. While the Office of Education prepared a form that explained to state education agencies (SEAs) the way in which their proposed plans should be submitted for approval, the requirements set forth were hardly stringent. Further, the Office of Education instructed its employees:

> . . . always remember that the States and local communities have primary responsibility for education and must retain full control over it. Therefore, do not construe any part of this Act to authorize you or any of your employees to exercise any direction over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.[1]

Accordingly, the federal government proved very receptive to the state plans submitted. In the first year of the program, "More than 90 percent of the states had 90 percent or more of their requested projects, measured in dollar terms, approved."[2] This high acceptance rate is particularly significant, given the vague, general character of the plans. In the words of one well-informed observer, the SEAs ". . . in their plans mostly stuck to bland and general descriptions of programs, priorities and standards. Some came close to parroting the illustrations sent from Washington. . . . No state intended to embarrass the Commissioner or to tie itself too closely to specifics."[3]

The financial arrangements for distributing NDEA funds reinforced the tendency toward loose federal control. The distribution formula determined allocations among the states, but the SEAs had the responsibility for allocating funds among local school districts. Since funds were distributed on a 50 percent matching-grant basis, only those local school districts or states willing to match federal funds with monies of their own participated in the program. Under these circumstances, federal regulations could not be particularly onerous. The matching-grant requirement also meant that a disproportionately high percentage of the funds went to larger and wealthier districts, where administrative and fiscal resources were greater.[4]

Permissiveness at the national level was matched by the flexibility of state departments of education, which traditionally allowed local school districts a good deal of autonomy in their use of fiscal resources. Even in those states in which SEAs wished to provide a degree of leadership there were few signs of central direction and control. As reported in the early years of the program, "the Title III program has effectively accomplished its objectives without impairing the traditional pattern of local initiative with state support."[5]

Loose central control was coupled with lack of interest in substantive evaluation of the program's effectiveness. To the best of our knowledge, no study of the effects of NDEA on student performances in science, mathematics, or any other subject area has ever been undertaken, and there is no record of any systematic, experimental design research to identify the effects of any specific curricular materials purchased with NDEA funds. Any difference in student performances between schools participating in the program and those not participating is yet to be determined. While studies of this kind were not an integral part of government programming in the late 1950s and early 1960s when NDEA was established, they were not applied to NDEA even when they became fashionable in the 1970s. Instead, nonevaluation has been rationalized by the claim that "evaluation on a nationwide basis of any program is difficult since the necessary before bench marks are seldom available for comparison with the after results."[6]

Assessments of the administration and management of NDEA programs are also scarce. In 1972, the Office of Education admitted that at the state level, "staff limitations prevented extensive monitoring."[7] State officials relied primarily on written reports from local administrators and on a few site visits. Thus, in its 1972 review of the "degree of success" NDEA had "in achieving program objectives," the Office of Education relied upon nothing more than testimonials and anecdotes. For example, it included in its annual report the information that in New Jersey, "state consultants (in mathematics) report that the availability of better materials and equipment has had a favorable effect on teacher attitudes."[8] It also reported that in an "evaluation of the reading program" in Nebraska, one student wrote, "This is the best year I've had in school. I don't like books much yet, but I don't hate them. I like to use the electrical equipment."[9] These annual reviews—only two of which have ever been released by the Office of Education--were little more than public relations documents.

A Southern Illinois University study, released in 1969, focused on program management; it did not assess state plan effectiveness.[10] More recently, a much higher quality study by Rand attempted to identify the consequences of consolidating NDEA with other educational programs. The study pointed out that consolidation allowed for the continuation of permissiveness in program operations and encouraged disproportionate participation by wealthier districts. The Rand study, which focused on administrative activities, did not examine the substantive effects the NDEA program might have had.[11]

Despite the looseness with which NDEA was administered, there were protests about excessive administration and red tape. From the very beginning, local administrators complained that procedures for filing project proposals, for having them approved, and for collecting reimbursement funds were "burdensome." One analyst estimated "the cost in California of simply writing and typing NDEA Title III projects for one year--1967--to be $1,290,000, or $10.75 per page."[12] After NDEA was consolidated with other educational programs, coordination and control also became a problem for some local schools; the complaint often heard was that teachers do not know "what has been ordered for their schools until the materials arrive."[13] These complaints notwithstanding, NDEA was a federal program developed and implemented almost exactly along the lines preferred by local school officials.

In sum, NDEA provided general aid for academically oriented school activities; it did not focus on the needs of any specific constituency; it was administered in such a way as to give great autonomy and flexibility to local officials; and no formal evaluations of its operations were ever made. Some observers now believe that the program simply supplied materials and equipment that local districts would otherwise have purchased out of their own funds.14

Aid to Federally Impacted Areas

If NDEA illustrates the tendency of programs with such broadly developmental objectives as improving scientific education to give wide discretion to local officials, the impact aid program provides ample evidence for a corollary tendency: the tendency of local districts to use block grant programs for developmental purposes. When restrictions are few and limited to procedural questions, substantive policy will take a direction dictated by the local communities' economic interests.

Even though impact aid money is to be given only to those districts affected by a federal presence, the federal government makes no effort to insure that the money is used exclusively for the children of military personnel. While requirements specifying how a district is to determine its eligibility for funding are detailed, Congress issued few guidelines as to how the assistance was to be used by local school boards once allocated. In order to receive assistance for capital expenditures, local districts have to demonstrate a need for expansion, but there is no constraint on the purposes for which funds earmarked for current expenditures can be used. The initial legislation required that:

> In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction of any school or school system of

any local or state educational agency.[15]

While the impact aid program has remained largely faithful to this charge, some federal regulation has been inevitable. In order to obtain aid for constructing new facilities, local school districts must show that children within their districts lack minimum school facilities. Districts with "unhoused" pupils, or districts that require funding to make major building repairs for the safety of school children, or districts that propose facilities that would enable them to offer a "contemporary educational program," are eligible for assistance.[16] Each school district submitting requests for funds for more than one project is required to rank the projects in order of priority.

But while decisions on capital expansion require federal administrators to pass educational judgment, monies for operating programs are allocated without regard to their use. A formula, based on the number of eligible pupils, is used to allocate funds among school districts. Only two exceptions have occurred. First, extra funds for handicapped children could be obtained if these students were enrolled in special programs. Second, money available under a provision that granted eligibility for impact aid to pupils living in public housing was to be used for compensatory education purposes. This second stipulation on the use of impact aid funds was withdrawn in 1978.

Otherwise, federal regulations on impact aid have been limited to specifying the procedures to be used to estimate the number of pupils eligible for assistance. For example, regulations try to define what constitutes being employed on federal property, what evidence is needed to establish that a child resides with a parent who has some connection with the federal government, and the way in which average, daily public-school attendance is to be determined.[17] Over the years, such specifications have lengthened the impact aid application form from five to seventeen pages, and the number of program administrators has increased. Nonetheless, even in 1977 this vast federal aid program was administered by only sixty-two professionals in the Office of Education.[18]

Like NDEA, impact aid has no constituency beyond the local school districts receiving the program's funds. Only local school districts are interested in program operations, and as a result federal regulations are minimal and have virtually no impact on local educational practice. As a result, local districts in the four cities invariably folded impact aid money into the regular school budget. No distinction was made between federal funds, unrestricted aid, or local tax monies. In no case was impact aid money used to shore up a program for a special needs population or otherwise treated in a distinctively identifiable manner. Instead, administrators used these dollars to enhance the overall educational offerings of the community.

Vocational Education Act

Although vocational education has had a long and varied political history, it remains (as Chapter II has shown) a major categorical program that has individuality, coherence, and sustained group support. Over time, its developmental thrust has been modified somewhat by legislative pressures for a more redistributive emphasis. It is thus practically the most significant and theoretically the most instructive of the developmental programs, and warrants extended attention. Fortunately, we were able to extend our research beyond the four cities for this program, and have included information drawn from case study analysis in Atlanta, Chicago, Rochester and San Francisco.[19]

The Impact of the Amendments Passed Between 1963 and 1976

The federal vocational education program was exposed to repeated rounds of Congressional amendment from its inception in 1917. Since then Congress has tinkered with allocation formulae and categories of eligibility, and also experimented with a variety of regulations and guidelines. Thus, the program accumulated more restrictions and more detailed guidelines than either NDEA or impact aid. The most significant changes occurred after 1963 when the federal vocational education program officially became known as the Vocational Education Act. The law required that monies be used for vocational training which "is realistic in light of actual or anticipated opportunities for gainful employment." Requirements for funding distribution within states were rewritten so as to encourage the redirection of resources to urban areas. Other aspects of the legislation featured a redistributive twist of sorts. The Act specified that programs be "designed to meet the special vocational education needs of youths, particularly youth in economically depressed communities who have academic, socioeconomic or other handicaps. This also called for a concentration of resources on the needs of special groups, such as women, the handicapped, and minorities, and in using funds to help those urban areas where unemployment was high. In the 1976 Amendments, Congress called for a variety of planning and evaluation mechanisms, as well as a complex system of reporting, to insure that states were developing programs accordingly.

On the surface, these alterations threatened the historic hegemony that local districts and state education departments reserved over federal vocational education fund usage. But many of the provisions remained generalized goals which local districts satisfied with minimal alteration of prior practice and local preference. Even after the changes introduced by the 1963 legislation were promulgated, it was difficult to ascertain much effect of the federal law on local program operations. The program worked quietly--almost invisibly--at the individual school level. "I really don't know how much our school gets from the feds," observed one principal of a Baltimore vocational high school who was unusually familiar with the program given his prior central office experience in the vocational division. His comment was typical of local vocational program administrators and instructors who were essentially unaware of the supplemental federal funding source--or regulatory strings attached to the dollars.

The specific impact of federal regulations which are coupled with grants-in-aid can be assessed more exactly by examining Congressional legislation and federal regulations, then comparing these requirements to local practice. If practice seems highly responsive to federal rules, then the regulative impact can be regarded as substantial. In the case of vocational education, the eight case studies found little evidence that local practice was significantly influenced by federal policy.

Congress' increased effort to direct vocational education programming is perhaps best illustrated by the dramatic increase in the actual length of the legislation authorizing the program. In 1963 the Vocational Education Act was but thirteen pages in length, but in 1968 it expanded to thirty-three pages, and by 1976 was forty-seven pages long. While it was impossible to examine in these studies the way in which all features of this complex piece of legislation were being implemented, the case studies did examine four areas that Congress in 1976 deemed particularly important. These parts of the legislation required that states and localities 1) develop a planning capacity that would allow for adaptation of vocational programs to changing market needs, 2) evaluate programs to establish their effectiveness in training students for employment, 3) reduce sex bias and sex stereotyping, and 4) increase private sector involvement through the creation of a variety of advisory committees at state and local levels.

In general, the case studies found that Congressional efforts to regulate program direction in each of the four areas had but little effect, consistent with the traditionally developmental nature of the federal role in vocational education. Even where Congressional mandates were stated clearly and sharply, it was difficult to ascertain significantly altered behavior at the school building level. The federal effort, of course, was conducted through each state; nonetheless, local administrators, the individuals who presumably will determine the implementation of federal regulations, were largely uninformed about the Vocational Education Amendments, suggesting that the business of vocational education was continuing largely unaltered. To be sure, this judgment may be premature. The full effects of

Congressional legislation cannot be expected to be fully apparent until many years after the legislation is passed. As one administrator in Atlanta observed, "The laws were passed in '76; it took most of '77 to reach our level; '78 was spent figuring out what to do; and only in '79 and '80 has anything been done."[20] In Chicago, too, minimum compliance with even state information requirements did not occur until 1979. In all probability the legislation, if left unchanged in the next reauthorization, will have a more substantial effect on local practice over time. Concluding that legislation has no immediate effects does not necessarily mean that it will not shape local thinking and practice in the longer run. About that our case studies can only be agnostic. The findings that follow must therefore be understood as only providing information about the short-term consequences of Congressional policy.

Planning

Any state that received federal vocational education funding was required to produce a five-year plan that, among other things, must "set out explicitly the planned uses of Federal, State, and local vocational education funds for each fiscal year of the State plan and show how these uses will enable the State to achieve these goals."[21] States were also required to submit an annual program plan and an accountability report for each of the fiscal years included in the five-year plan. They relied on local educational agencies to provide information necessary to complete the report.

The state plans were often lengthy booklets adorned with numerous tables and charts, many of which proclaimed vigorous vocational education activity that successfully prepared students for entry into the labor market. Their utility in shaping policy, however, is highly suspect. Many local administrators conceded that they are little more than documents that formally complied with the planning requirements and that did little to shape actual policy choice. One administrator acknowledged that statistics were "massaged" to assure federal examiners that progress was being achieved, while making the process of data accumulation and translation into planning documents as painless as possible for states and localities.

States did not appear overly aggressive in securing local compliance with federal objectives. In Chicago, for example, the state interpreted federal guidelines in ways that were as lenient for local administrators as possible; when it prepared its own accountability report for 1978 to the federal government, it made no mention of specific instances of local malfeasance or non-compliance but instead justified any and all programs throughout the state as operating within federal expectations.[22] In San Francisco and in Baltimore, the planning process was also concerned mainly with securing a smooth flow of funds to localities with a minimum of federal scrutiny. As a 1977 analysis of state vocational education planning in California observed, required plans "have been largely oriented toward compliance with federal regulations rather than toward comprehensive planning."[23] In Atlanta, relations between state and local officials were less collaborative, but the difficulties seemed to have little to do with local non-compliance with federal guidelines.[24] Overall, procedural compliance with federal planning provisions took place in the cities studied, but seemed more geared toward satisfying federal guidelines than providing an opportunity to introduce purposive changes in local service delivery.

Evaluation

Federal legislation required that

> . . . each state shall evaluate, by using data collected, wherever possible, by statistically valid sampling techniques, each such program within the state which purports to impart entry level job skills according to the extent to which program completers and leavers: 1) find employment in occupations related to their training, and 2) are considered by their employers to be well-trained and prepared for employment.[25]

As is the case with the planning requirements, the evaluation activities were hardly in accord with the spirit of the law.

The demands and sophistication of the legal requirements notwithstanding, evaluation of vocational education programs in urban areas relied on traditional approaches and techniques that in the end left school officials largely in control of the process and product of their own evaluation. It is true that local schools generally filed an accountability report which recorded for each program the number of students by race, sex, handicap, and whether or not they were disadvantaged. External monitoring of local programs was also conducted. In Chicago, for example, a state-sponsored evaluation team visited each school once every five years to assess the strengths and weaknesses of the schools' vocational offerings.

If the evaluation team found a particular course or program to be deficient, they could suggest changes or even recommend that the program be denied federal funding. If changes were recommended, local officials were to respond to these suggestions in their next five year plan. While in theory these arrangements implied a good deal of central direction, in practice local administrators felt that it was up to them to determine whether or not they wished to modify practices in light of their evaluations.[26]

Local administrators were not only unlikely to dramatically alter programs based on external evaluations, but they also frequently scoffed at the data included in many evaluation projects. Numerous school building administrators noted that one of the major information-gathering methods was the post-graduation interview, in part to determine the effectiveness of vocational curriculum in preparing students for direct entry into the work force. They consistently contended that this method was highly unreliable because of the extreme difficulty in locating and obtaining the cooperation of former students. This problem was particularly pronounced in urban areas where many students left their home areas upon completion of their secondary education. Reliable data was reported to be most difficult to obtain from student constituencies in the least prestigious vocational schools. In Chicago, for example, the school which pioneered post-graduation evaluation ranks among the outstanding secondary institutions in the city; by contrast, schools of lesser quality have had far less experience with evaluation, and understandably, less motivation to produce detailed reports.[27] The Atlanta study revealed a similar difficulty in the accumulation of reliable data. In fact, the state in 1980 could not supply basic statistics for the 1978-79 school year.[28] While states such as California and Illinois proved more adroit at compiling evaluation data, the utilization of this material for programmatic purposes was virtually non-existent.

Sex Stereotyping

The 1976 Amendments expected local institutions "to develop and carry out such programs of vocational education within each state so as to overcome sex discrimination and sex stereotyping" and they contained a number of specific provisions designed to achieve this objective.[29] Local response to these provisions was also quite limited. While local vocational administrators were not opposed to altering the sex composition of their programs, there was little evidence that they were doing much to facilitate the change.

The most common local response to the requirements appears to have been the creation of open enrollment for virtually all vocational programs to members of both sexes. It proved impossible to determine whether these new developments were a direct consequence of federal guidelines or whether they represented more general societal changes. It was also difficult to find much evidence that opening course access significantly altered the sex composition of vocational programs historically skewed on the basis of sex, although administrators in each of the cities could demonstrate certain examples of breakthroughs.

Administrators consistently emphasized their support for addressing sex imbalances, and many were able to cite some enrollment changes in recent years. Some principals of schools with vocational programs have attempted to recruit outside speakers and design programs to heighten awareness of curricular and vocational alternatives. In Dade County and San Francisco, federal funds have been channelled toward specific projects designed to introduce women into vocational areas traditionally dominated by men; these experiments have occurred in the Community College District, which enjoys greater latitude in program experimentation.[30] Nonetheless, local officials report little progress and contend that change takes place very gradually. Interviewers heard comments such as the following in explanation of the slow pace of change: "girls dislike loud, dirty work"; "boys realize that the income in traditional female occupations is relatively poor"; "boys do not have the fine motor skills that girls do"; schools "cannot counteract the influence of the home." Given these perceptions, many program directors and principals foresaw little likelihood of dramatic breakthroughs in sex stereotyping.

Private Sector Involvement

Somewhat more tangible results of the Amendments can be discerned in the area of private sector involvement in local vocational education service delivery. The 1976 federal vocational education legislation required that each funding recipient "establish a local advisory council to provide . . . advice on current job needs and on the relevancy of courses being offered."[31] These amendments to the Vocational Education Act called for broad participation on these councils, including members of the general public and experts in specific vocational areas germane to local programs. Such councils were, to a large extent, created, but their mere existence did not insure valuable contacts between training programs and the private sector.

The most prestigious vocational institutions have long relied upon advisory councils and enjoy extensive private sector support. This supportive base provides curricular advisement and equipment donations to schools, as well as internships and job placements for students. But such councils have not been nearly as active in less prestigious institutions that were not so well-endowed. Predictably, advisory councils at these least able and equipped schools were largely perfunctory. Parents were sometimes amassed to lobby the school board and the central office, but meager substantive returns were derived from these efforts. Federal requirements may have provided a general framework for such participation. Their effect, however, depended greatly upon local school conditions, and showed few signs of bolstering institutions that most needed private sector support.

In Rochester, private sector support was largely oriented toward the new Edison Technical High School, much as such support in Baltimore and San Francisco gravitated toward the most sophisticated vocational "centers" in those cities. Other schools in these cities offered vocational instruction, but Edison and its counterparts emerged as the leading recipient of private sector attention and support. A local industrial management organization "has been a staunch supporter of the movement to create a new, more up-to-date and sophisticated" school and it has concentrated its energies on Edison.[32] In all eight cities, the most prestigious vocational institutions had close ties to the private sector, but had cultivated these relations well in advance of federal council requirements. By contrast, those programs that lacked such a reputation had minimal private sector involvement either before federal requirements were formulated or afterwards.

Limited Impact of Federal Regulations: Some Explanations

The reasons for the limited impact of federal directives on local vocational education policy are multiple. In the first place, federal allocations for vocational education in urban areas are only a small percentage of total state and local expenditures. If federal vocational education policy significantly affected local practice, it would have to be the proverbial tail wagging the dog.

The way in which vocational education funds were distributed made such wagging most unlikely. Under the 1976 Amendments, most funds were distributed among the states according to a pre-established formula that was based largely on the population size of each state in certain age categories. The states were responsible for allocating the funds among school districts, community colleges, and other vocational institutions. State guidelines were interpretations of federal regulations, and state enforcement depended on the eagerness of state officials to pursue national policy objectives. In practice, state officials seemed to identify more with the interests and concerns of local school officials than with national policy objectives. These practices maximized the autonomy of local administrators. At both state and federal levels, resource allocation did not vary according to the extent to which local officials vigorously pursued national policy objectives. As a result, vigorous enforcement of these objectives became more difficult.

Furthermore, vocational education funds were allocated among the states on a matching basis. For every federal dollar spent under the basic grant program, states and localities were required to allocate a similar amount. While this was designed to insure that local governments were genuinely committed to a federally funded program and limit the fiscal burdens of the federal government, it also meant that federal objectives must roughly coincide with state and local objectives. Where the two conflicted, federal objectives could not be pursued too assiduously without jeopardizing state and local willingness to participate. If policies with respect to evaluation and sex stereotyping in vocational education were too stringent, many localities might prefer to forego federal funds under the Act rather than allocate matching local resources for programs found distasteful.

Slippage in national policy objectives occurred not only as the state reformulated national concerns, but at various local steps as well. By focusing much of the research attention on vocational education at the school-building level, the eight case studies were able to identify perceptions and activities at the very level where services were being delivered. For federal policy to affect activities at this level, they must be transmitted from Washington to the state capital, from there to the school system's department of vocational education, from the vocational assistant superintendent to many other administrators, and, finally, to principals and teachers in individual schools. The slippage in this process was substantial. Shared perceptions were rare among various levels of the so-called chain of command. At the school level there was scarcely any awareness of a Vocational Education Act at all. Dozens of vocational educators, from

San Francisco to Dade County, were aware that there was some form of ongoing federal support but they were largely unfamiliar with specific provisions--including redistributive ones--of the federal program. In fact, some vocational educators in individual schools were completely unaware of any federal role in vocational education. The impact of federal directives on local vocational programs, in turn, remained largely insubstantial, once filtered through these numerous levels, enabling federal dollars to continue to be put to locally-determined purposes.

Local Utilization of Vocational Monies

Each of the districts took full advantage of this freedom to use VEA dollars for locally-preferred, supplemental purposes. It is "simply added in as extra revenue," according to one veteran vocational education administrator in Milwaukee. "If less than fifty percent of our grads were employed in an industry related to their training we used to get nasty reminders from the state," but such warnings rarely materialized and "nothing was ever withheld from us." Federal dollars generally are channelled into equipment purchase, in large part because local school boards tend to look disdainfully at the prospect of major equipment investments with local funds and in part because equipment purchase is an easily documented expense for federal auditors.

Another important determinant of local use is the local conception of the proper role for vocational education services at the secondary level. Baltimore city and school officials have embraced vocational education as an essential component in the planned economic "renaissance" of the city. They have used VEA dollars in part to fund equipment for a new "skill center" which will concentrate some of the most sophisticated vocational training in the city in one institution and update equipment in their specialized vocational-technical schools. In contrast, San Diego and San Francisco have placed less emphasis on secondary vocational training, given the breadth of vocational programs available through California community colleges and Regional Occupation Centers. As a result, these districts have used a substantial amount of their VEA dollars for vocational programs for the handicapped and more generalized career education. Milwaukee and Baltimore fell between these two extremes in their emphasis on vocational education in secondary schools.

Different local emphases with VEA funding notwithstanding, all of the districts that we examined proved comparably adept at adjusting to varying federal program requirements with a minimum of difficulty. The program was generally administered by one member of the district's vocational division, usually a veteran vocational educator with extensive experience in assuaging federal and state concerns. But consistent with its somewhat greater emphasis on serving special needs populations, each district's data collection burden was greater for this program than it was for either NDEA or impact aid. Information regarding VEA fund usage and enrollment patterns in vocational programs by race, sex and handicap had to be compiled. Local administrators were expected to demonstrate that VEA dollars were being utilized in training programs in which demand for labor exists regionally, and they were supposed to maintain placement statistics on program graduates. While all of these activities were time-consuming, they served a perfunctorial purpose rather than influencing fund expenditures. Once gathered, these and related materials were eventually fed into annual and five-year "plans" that were filed by each state. These plans, however, were generally little more than lengthy booklets that were adorned with numerous tables and charts; they proclaimed vigorous vocational education activity but had minimal applicability for shaping policy. On the whole, local administrators conceded that they were little more than documents that formally complied with planning requirements and did little to shape actual policy choice.

The ease of VEA implementation was underscored by the fact that the most significant changes in program implementation in the districts during the past decade bore little relation to federal regulations or guidelines. Dade County, for example, revamped its allocation system to permit vocational school principals and program directors greater influence over the process. This alteration replaced the prior system of central district control of allocation with a more open process whereby individual schools and programs prepared applications. Local administrators consistently pointed to it as the most significant change in VEA administration in the 1970s, yet it had no relation to federal policy. Similarly, the 1976 amendments mandated advisory councils at the school and district level in all districts receiving VEA funds. However, many districts, such as Milwaukee, Baltimore, San Diego, and Dade County had long had schools with extensive histories of councils and advisory groups. But where schools had no effective councils prior to the passage of the amendment, those bodies that were created remained ineffective into the early 1980s.

The simplicity of developmental program implementation was aided not only by the relative limit on regulatory requirements attached to the program, but also because it placed few (if any) demands on local school districts to alter their traditional educational strategies. Impact Aid monies could (and did) go to every imaginable purpose, from school construction in San Diego to teachers' salaries in Baltimore. NDEA monies could be used to purchase books or other pieces of audio-visual equipment that were already available in classrooms across the country. Quite similarly, Vocational Education Act monies quietly supplemented activities that most school districts had supported for many decades, since vocational education was long a central component of local efforts to develop employable graduates each year. Students and instructors were usually unaware that certain pieces of equipment or materials used in their classrooms were provided through VEA. The federal government remained essentially on the sidelines, tossing in a supportive check each school year, with a minimum of oversight as to its eventual expenditure.

Conclusions

The vocational education, NDEA, and impact aid programs are illustrations of an earlier epoch, when federal control was widely abhorred and civil rights questions had only marginal political significance. Even in the early 1960s, when these programs distributed sizable funds--amounting to more than 4 percent of all educational expenditures--they had little more than a fiscal impact. There was minimal federal regulation and maximal local autonomy in the workings of each of these programs. As a result, the programs have been popular among local school boards, school administrators, and state departments of education. This local popularity has encouraged Congress to support consistently the continuation of these programs, even in the face of, in some cases, strong executive resistance and little demonstrable impact.

Nonetheless, the sources of the programs' popularity--the flexibility and autonomy with which the Office (and later Department) of Education has allowed school districts to operate these programs--has also been their weakness. The absence of any distinct federal goal or purpose and, correspondingly, the lack of any significant political constituency other than local school officials themselves brought the continuation of these programs into question. Since elementary and secondary education is primarily a state and local responsibility, there must be a justification for federal action. But defense of federal action in these three program areas has become increasingly difficult. Clearly, state and local governments, which pay for more than 90 percent of the costs of occupational training and an even higher percentage of the cost of academic instruction, would continue to provide both vocational education and education in mathematics and science, even without federal programs in these areas. And although the school districts that have grown dependent on impact aid would have to find alternative sources of fiscal support should this program be eliminated, it is hardly clear that most would suffer any greater hardships than those endured by the thousands of school districts that are not said to be "impacted."

Federal programs without a clear federal purpose may survive either through sheer inertia or through the building of alliances on Capitol Hill. But since these programs lack luster and élan, in the long run they tend to wither away. As a program, NDEA has disappeared altogether, and impact aid dollars have been cut back dramatically. Developmental programs in education do not depend on federal dollars for their survival, and the availability of federal dollars has little affect on their direction. Developmental policy seems to be cooperative federalism at its best, because areas of conflict are kept to a minimum. Yet it is in the developmental arena where federalism often has little substantive meaning.

Footnotes

1. U.S. Department of Health, Education, and Welfare, Office of Education, Guide to the National Defense Education Act (Washington, D.C.: U.S. Government Printing Office, 1959), p. 9.

2. Sidney Sufrin, Administering the National Defense Education Act (Syracuse, N.Y.: Syracuse University Press, 1963), p. 31.

3. Paul Marsh and Ross Fortner, Federal Aid to Science Education: Two Programs (Syracuse, N.Y.: Syracuse University Press, 1963), p. 43.

4. Lorraine McDonnell, et al., Program Consolidation and the State Role in ESEA Title IV, report prepared for the U.S. Office of Education, Department of Health, Education, and Welfare (Santa Monica, Calif.: Rand Corporation, 1980).

5. Robert Procumier, "The Impact of Title III, NDEA on Programs in the Public Schools of Illinois" (Ed.D. diss., Indiana University, Bloomington, 1962).

6. U.S. Department of Health, Education, and Welfare, Office of Education, NDEA Title III, Fiscal Years 1959-1967: A Management View (Washington, D.C.: U.S. Government Printing Office, 1974), p. 617.

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8. Ibid., p. 9.

9. Ibid., p. 11.

10. U.S. Department of Health, Education, and Welfare, Office of Education, NDEA Title III, Fiscal Years 1959-1967, p. 6.

11. McDonnell, et al., Program Consolidation.

12. I.T. Johnson, "An Evaluation of NDEA Title III," Phi Delta Kappan 48 (June 1967), p. 500.

13. McDonnell, et al., Program Consolidation, p. 12.

14. Ibid., p. 15.

15. I.M. Labovitz, Aid for Federally Affected Public Schools (Syracuse, N.Y.: Syracuse University Press, 1963), p. 45.

16. U.S. Congress, House Committee on Education and Labor, Impact Aid, Hearings before a Subcommittee of the House Committee on Education and Labor, 95th Cong., 1st sess., 1977, pp. 801-02.

17. Ibid., p. 887.

18. Ibid., pp. 12, 29.

19. Findings from these additional sites are presented in greater length in the following case studies: Wayne J. Urban and Charles A. Starratt, "Vocational Education in the Atlanta Schools" (Georgia State University: National Institute of Education, 1981); Paul E. Peterson and Barry G. Rabe, "Career Training or Education for Life: Dilemmas in the Development of Chicago Vocational Education" (University of Chicago: National Institute of Education, 1981); Michael W. Kirst and Barry G. Rabe, "Vocational Education and Federal Policy in San Francisco" (Stanford University: National Institute of Education, 1981); William Lowe Boyd and Harold Cline, "Vocational Education in a Technical Labor Market: Rhetoric and Reality in Rochester, New York" (Pennsylvania State University: National Institute of Education, 1981).

20. Urban and Starratt, p. 63.

21. Vocational Education Amendments of 1976, Public Law 94--482, 12 October 1976, 90 Stat. 2180.

22. Peterson and Rabe, p. 73.

23. Kirst and Rabe, p. 70.

24. Urban and Starratt.

25. Vocational Education Amendments of 1976, 90 Stat. 2187.

26. Peterson and Rabe, pp. 60-1.

27. Ibid., p. 34.

28. Urban and Starratt, p. 70.

29. Vocational Education Amendments of 1976, 90 Stat. 2169.

30. Kirst and Rabe, pp. 81-2.

31. Vocational Education Amendments of 1976, 90 Stat. 2176.

32. Boyd and Cline, p. 5.

Chapter V

REDISTRIBUTIVE POLICY: THE EMERGENCE OF COOPERATION

Federal redistributive programs in education seemed a Behemoth by 1980. Analysts bemoaned their unprecedented usurpation of local administrative authority and growing reliance on sticks rather than carrots. As a result, the federal government seemed unable to confine itself to "junior partner" status. When the National Education Association called for federal assumption of one-third of the costs for public education, advocates of local hegemony cringed. How far would the federal government go to insure compensatory education? How wide would its regulations protecting the handicapped range? How dependent on federal funds would local districts become?

Such questions, of course, appear to have been rendered at least temporarily moot by federal policy changes since 1980. Not only have funds been both cut and gathered together into large block grants, but surviving categorical programs are likely to be administered with more local discretion. While a burst of new political support for federal education funding is not inconceivable in the 1980s, even under the best of circumstances growth is likely to be more modest than in the prior two decades. Politicians of both parties can be expected to approach this potentially combative policy area more gingerly than they have in the recent past, especially given the limits imposed on discretionary domestic spending by enormous budget deficits.

Any consideration of the future of federal education policy should, of course, consider the programmatic debris left in the wake of retrenchment. Special attention should be given to the redistributive categorical programs in order to discern the extent to which they provided valuable supplemental funding and redirected local policymaking. Did federal programs dramatically change the face of local education service delivery, or did school business proceed largely unaltered? Were federal programs the focal point of intense intergovernmental competition, or were the programs smoothly integrated into the nation's educational institutions? Our findings suggest that, contrary to current claims of excessive red-tape and misplaced priorities, redistributive elementary and secondary education programs were, by 1980, functioning components of local school programs. While early research on the subject identified numerous problems of implementation, our study, which was conducted after most federal programs had become well-established, uncovered few major controversies and discerned generally harmonious relationships. The federal partnership in education was severely tested by Great Society programs, but it seems by 1980 to have been able to accommodate them quite comfortably. Previous studies of conflict and misdirection, while perhaps accurate at the time, now seem out of date. Ironically, these dated pieces of scholarship have provided the intellectual basis for reversing a national policy that finally had become an accepted component of our public education system.

Conflicts over Redistribution

In earlier chapters we emphasized the differences between developmental and redistributive programs. As was documented in the preceding chapter, the developmental arena is generally characterized by cooperative intergovernmental relations, as federal and local interests generally coincide. In the case of redistributive programs, however, the federal government cannot be as sure that school districts will be prepared to carry out federal objectives. Since assistance to low-income and other disadvantaged groups could interfere with local economic and political objectives, federal administrators promulgate regulations and controls designed to assure effective program implementation. Federal programs are also likely to mandate community participation in order to build a supporting constituency for federal objectives. In general, these programs often encounter greater problems of implementation.

Redistributive programs were indeed more complicated to administer and their implementation was often more conflictual than their developmental counterparts. But the distinction between the two was neither as substantial as had been expected nor as dramatic as the brutish image of federal education programs would suggest. Federal and local administrators were rarely at loggerheads over any program, even when it was redistributive. Major urban districts frequently enjoyed amiable relations with the federal and state authorities responsible for program supervision and evaluation. Frictions occurred in certain program areas, but we found no instances in which any federal funds were withdrawn or delayed for noncompliance. Instead, both local and federal intermediaries demonstrated adaptability on most compliance questions. Each of the districts studied had well-established political and bureaucratic traditions, and in most instances effectively wove the federal programs comfortably into their larger enterprise. Local complaints about excessive paperwork and having "hands tied" by federal regulation were widespread but a far greater concern was the relatively modest role of supplemental federal funding.

This is not to suggest that the federal education enterprise engendered a "happy family" effect wherever it ventured. Indeed, certain districts proved less willing--or able--to embrace federal intent than others. Certain programs fostered more contention than others. Title I, for example, was accompanied by an avalanche of regulations following its enactment in 1965. However, precise adherence to these guidelines was usually difficult to achieve, as merely interpreting federal intent was in many respects a perplexing task. In fact, the locals were hardly regimented into a uniform line by federal commanders. Instead, local Title I programs consistently reflected the preferences of local district administration; audit findings occasionally questioned local practice, but none resulted in a substantial reshaping of a local program.

Similarly, the federal special education program also generated contention. This federal program may have had a more far-reaching effect than any other, given the extent to which it forced restructuring of the basic delivery of special education services. But it was, by and large, implemented in a cooperative manner in all three districts studied. In certain respects, the thrust of federal policy coincided with--and paralleled--local and state efforts throughout the nation to revise and reshape special education. Unprecedented judicial responsiveness to lawsuits raised by special education groups fostered this multi-level flurry of activity. The federal government assumed a major role but it was hardly alone in the vanguard of special education reform.

Once again, the central point of contention over special education involved levels of funding. Districts were especially distressed because the federal government failed to fund the program at the level first promised in the legislation that had established new regulatory and procedural safeguards for the handicapped. As for these safeguards, they increasingly became a "way of life" and in some respects merely overlapped the approaches that were already being implemented by state and local officials. Federal funding, in contrast, was a gnawing problem, particularly given the outright reductions in funding levels even as service costs increased.

Two Competing Models: Unitary and Bargaining

Two hypotheses will be considered in attempting to discern the nature of policy implementation in redistributive programs. These competing hypotheses stem from two distinct models of policymaking, the unitary model and the bargaining model.

The Unitary Model

The unitary model suggests that urban governments pursue policies that are economically in the best interests of their community; they are likely to promote developmental activity, at the expense of redistributive experiments, in seeking a secure, stable community. Local governments prefer to attract business, industry, and self-sufficient (tax-paying) residents; they assume responsibilities for disadvantaged populations and special need constituencies with great reluctance.

Applied to urban school districts, the model presumes that such organizations will generally embrace all external sources of funding (the carrot) and make implementation of concomitant requirements (the stick) as painless as possible. School districts--and their respective administrative branches--will attempt to retain program control and resist external efforts to modify or reshape local policy. However, no two school districts are likely to discern their self-interest in identical ways. A variety of factors may encourage local school administrators either to cooperate with complicated guidelines and regulations or attempt to resist them.

Given the general unwillingness of urban communities to pursue highly redistributive policies, those with very limited overall resources will be particularly reluctant--and hard-pressed--to pursue federally-encouraged redistributive policies. By comparison, communities that enjoy greater affluence and greater latitude in local expenditure will find it easier to comply with redistributive program intent. They will be more likely to abide by the basic tenets of such a program.

The unitary model, therefore, generates the following hypothesis for federal education program implementation: The extent to which urban school districts comply with the redistributive intent of federal education programs differs, depending upon the overall fiscal well-being of the district, and its capacity to afford expenditures for such purposes. Districts with relatively strong fiscal capacity are more likely to comply with redistributive intent than districts with less fiscal capacity.

The Bargaining Model

The bargaining model suggests that an entirely different set of forces determine local political behavior. It assumes an ongoing process of conflict and bargaining among various groups and organizations that compete in the local political arena and influence local policy decisions. Within an urban school system, school board members and top administrative officials pay close attention to the demands of the various groups and attempt to tailor policies in a fashion that satisfies competing claims. Federal programs, of course, feature numerous legal restrictions on fund allocation and program development, and they presumably impose some limits on the potency of local bargaining. Nonetheless, many of the federal education programs have specifically sought to promote community and parental participation. Provisions for local advisory councils, with varying degrees of oversight authority over administration and allocation, are common features in federal programs.

From this bargaining model, the following hypothesis for federal education program implementation can be derived: Districts in which disadvantaged group interests are organized, active and influential will be more compliant with federal objectives on redistributive issues. Title I and special education are illustrations of the federal effort to promote local bargaining in federal programs. Districts receiving Title I funds were required to maintain parent advisory councils at every participating school which were in turn to elect a district advisory council. These organizations were required to officially "sign-off" on any local Title I application before funding could be received. In addition, the special education law was written to encourage parental and community participation. Parents were given an opportunity to participate in the creation of an "individual educational plan" for every child receiving services, and extensive due process procedures were established for parents and groups. Parental advisory councils, à la Title I, were also mandated. A test of the two hypotheses can be made by analyzing Title I and special education programs, as implemented in each of the four school districts.

The Unitary Model and Redistributive Program Compliance

The unitary model suggests that the overall fiscal capacity of a district affects intergovernmental relations on redistributive programs. Given the variance in district fiscal capacity, as discussed in Chapter III, the model implies that the districts would vary in their responses to federal requirements. Of course, no district can be expected to embrace redistribution fully, given the extent to which it runs contrary to the economic interests of the city. But those with the greatest fiscal capacity to fund school programs will be most compliant with federal expectations. The less the fiscal capacity of the district, the greater the need to attend to economic issues, and, therefore, the less the compliance. The low fiscal capacity of Baltimore was expected to produce high resistance, while Dade County with its high fiscal capacity was expected to be most compliant. San Diego and Milwaukee would be located between the two extremes.

Title I and Program Compliance

Resistance to federal programs and their requirements were generally not as substantial as the model--or popularized reports--would project. Dade, San Diego, and Milwaukee made extensive efforts to carry out the intent of the federal program and even Baltimore made reasonable efforts. However, the ordering of the cases in Table V-1 is quite consistent with the model's expectations. The districts with the greater fiscal capacity proved more likely to abide by federal regulations and guidelines. In many instances they did so in a spirit of cooperation and collaboration. By contrast, Baltimore's comparatively low fiscal capacity corresponded with some discernible resistance. These and other distinctions warrant elaboration on a case-by-case basis.

Table V-1

School District Fiscal Capacity and
Compliance with Program Intent of Compensatory Education

	Compliance with Federal Program Intent		
Fiscal Capacity	High	Moderate	Low
High	Dade		
		San Diego	
Moderate		Milwaukee	
Low		Baltimore	

The cases. Baltimore was the most resistant of the four districts in complying with the various regulations and guidelines of Title I. It was the only district among the four where an acrimonious relationship developed between local and federal officials. Yet even in this relatively politicized school district heartier efforts have been made in recent years to comply with Title I guidelines, specifically through the creation of a Title I office. As a result, Title I administration eventually became more distinct from other school operations, and specific efforts were made to establish programs consistent with federal guidelines.

On the other hand, the district for years allocated funds with little regard for Washington's instructions, and it was said that much of the distribution was straightforwardly political. School principals who supported the central administration were said to be more likely to receive funds for their schools than more outspoken colleagues, regardless of relative need. Even top officials acknowledged that Title I at one time had "patronage" characteristics in Baltimore, although they insisted that this had changed.

However, the federal government audited the Title I program in 1978 and charged the district with failure to "fulfill its responsibilities in monitoring to determine that funds were spent in the Baltimore schools in conformity with federal regulations." Numerous administrators and instructors with extensive experience in the program generally concurred with audit findings that Baltimore had "operated the Title I program inefficiently, used a deficient accounting system," and paid scant attention to many of the complicated program guidelines. "We never knew what comparability was," noted one principal of a Title I school, in explaining the lackluster procedures of compliance.

This failure to comply can be attributed both to the politicized nature of the district and its severe fiscal problems. With local resources declining, the temptation to use federal funds for basic institutional needs (instead of supplementary compensatory education) seems hard to resist. At the same time, it should be noted that Baltimore worked cooperatively with the federal government in many respects. Despite the audit, local administrators generally did not consider the federal presence pernicious; instead, they modified the program to meet local needs and political expediencies, while hoping to avoid being called into question by outside authorities.

Milwaukee and San Diego, by comparison, seemed basically in compliance with Title I regulations and guidelines. Local officials described their relations with the federal government as cooperative. They expressed confidence that their operations were satisfactorily in accord with federal expectations. Milwaukee encountered some problems with alleged "supplanting" between 1967-72, but the district was last audited by federal officials in 1973. Since then, most problems have been "solved over the phone." Some difficulties had arisen with state officials involved in Title I and the corresponding Wisconsin compensatory education program. Local officials deemed certain state administrators overzealous in attempting to oversee classroom and basic administrative practices. These conflicts did not, however, lead to any substantial alteration of the district Title I program. Local administrative characterization of program implementation suggests that "as long as the district gets its fair share of allocations . . . federal guidelines will not be considered as problematic but as something they already have become accustomed to." Moreover, Milwaukee administrators were confident that the most important decisions were reserved for the local level.

San Diego paralleled Milwaukee in that local-federal relations were generally harmonious and the district was rather rigorous in complying with federal intent. The central administrative structures that were necessary to allocate the money appropriately and instruct principals and teachers in proper administrative practices were well-established. Principals, as a result, were constantly prepared for surprise state audits and site visits, and they seemed to keep files and materials accurate and available. At the same time, principals generally felt that they could work around procedural requirements to use funds with special consideration for the particular needs of their school. In turn, state department of education officials placed an increasing emphasis on cooperation. They generally supported local efforts and developed a "program review process" in which non-state staff conducted reviews to assure compliance; they "soft pedaled their enforcement job" in deliberately seeking a more qualitative (and less compliance-oriented) review procedure. State efforts to consolidate the application process of Title I and the state compensatory programs, as well as several other state programs, also encouraged this cooperation.

Like Milwaukee, San Diego retained substantial latitude over program implementation and did not simply jump through federally-imposed hoops. Some flexibility was reserved at the school building level for principal and teachers. The "saturation factor" permitted the district to declare an entire Title I school eligible if 75 percent of its students met eligibility standards, thereby permitting broad distribution of resources to all enrolled students. One administrator noted that this flexibility had been increased in past years and had enabled principals and teachers to "focus on the essentials, not the trappings, of regulations and requirements." This seeming balance--a fairly comfortable trade-off between meeting federal expectations yet not strangling local initiative--paralleled Milwaukee in a variety of respects.

One important distinction, however, may be the difference in fiscal capacity between the two districts as well as the overall economic well-being of the community. San Diego administrators viewed Title I funding as somewhat less crucial to its overall enterprise than did Milwaukee administrators, and as substantially less crucial than Baltimore administrators. Whereas Baltimore often "blended" Title I dollars into general purpose funds, San Diego, and to a somewhat lesser extent Milwaukee, enjoyed greater overall fiscal latitude. They could literally "afford" to be more compliant and maintain an exclusively supplemental role. A San Diego administrator illustrated the distinction: "Without Title I, we would generally be up a creek nationwide, but San Diego would be able to operate."

Dade County's Title I program was virtually free of conflict with the federal government, and nearly every aspect of the program was tailored to assure easy compliance. Moreover, the Dade Title I program was seen as a cornerstone in the district's proclamations of educational excellence and commitment to special needs constituencies. Until the political demise of the Superintendent, John Jones, who championed a highly innovative program, the Dade approach received extensive national publicity and was under nationwide consideration as a model for Title I. In short, the district with the greatest fiscal capacity most successfully demonstrated compliance and systematic pursuit of redistributive program intent.

Dade County's vehicle for effective compliance and national recognition was its Extended School Program (ESP). School and student needs were assessed (on the basis of socioeconomic status and achievement levels), and special programs were developed to extend the regular school day for eligible students. District teachers were selected through a highly-competitive process to teach in the extended-day sessions, which stress basic skills. They received bonuses for their participation and were generally viewed as among the finest teachers in the district, thereby reversing the negative stigma so often attached to Title I instructional personnel. Student progress was regularly monitored and students whose achievements moved them beyond the eligibility limits were no longer able to attend these after-school classes.

The relative educational merits of the Dade program could be debated on several fronts, but the program easily met the major federal requirements and guidelines. Supplementation, comparability, and excess cost problems, three major sources of contention over Title I implementation nationwide, largely disappeared in Dade since the creation of ESP. District administrators were unusually familiar with the broad intent as well as the minutiae of Title I (more so than the other three districts); one considered ESP "a dream" to administer because it dovetailed so smoothly with the federal regulations.

Summary. The cases, of course, do not provide conclusive evidence of a relationship between fiscal capacity and willingness to comply with redistributive intent of federal programs, but the findings are quite consistent with the unitary model. They testify to the absence of uniformity in terms of federal program implementation and local school district response to federal regulations and guidelines. They show that the greatest resistance exists where local resources are most limited, and that the most creative local response occurs where fiscal constraints are least. Furthermore, the cases suggest that federal programs do not necessarily generate administrative and regulatory nightmares for local school districts. Consideration of the same hypothesis with regard to the special education program tends to substantiate these findings further.

Special Education and Program Compliance

The relationship between fiscal capacity and local compliance in special education presented in Table V-2 does not mirror compliance with Title I exactly, but numerous parallels can be drawn. As was the case in Title I, overall compliance was greater than originally anticipated. Each district showed some indication of modifying its approach to special education even in advance of the passage of the federal law. But the ordering of the four districts was essentially the same for this program as it was for Title I (see Table V-2), though each district's response differed somewhat. Baltimore was generally more compliant with special education guidelines than it was with Title I, though least compliant of the four districts; Milwaukee was notably less compliant than San Diego in this policy area than in Title I, and

Dade was not as thoroughly compliant in this area as it had been with Title I. Yet the overall pattern remained the same, and the general nature of responsiveness was quite similar in the two policy areas. Fiscal capacity may not be the only determinative factor regarding compliance, but the similarity of the relationship between resources and compliance in both special education and Title I seems more than coincidental.

Table V-2

School District Fiscal Capacity and
Compliance with Program Intent of Special Education

	Compliance with Federal Program Intent		
Fiscal Capacity	High	Moderate	Low
High	Dade		
Moderate	San Diego	Milwaukee	
Low		Baltimore	

The cases. The Baltimore public school district tended to treat special education laws more seriously than it did the federal Title I requirements. It created a series of administrative and evaluative structures in attempting to comply with the law. This response was attributable in part to the district's previous assistant superintendent for special education, who was a champion of--and contributing architect to--the general approach endorsed by the federal law. He attempted to implement a rough equivalent of this law locally well in advance of the passage of the federal legislation. The vociferous actions of this administrator and a 1974 Baltimore County Circuit Court decision mandating access to special education services for all handicapped children paved the way for the implementation of many activities and procedures required by the legislation. The district has made painstaking efforts to comply with its numerous parts, including the "individual educational plan" and "child find" procedures.

Nonetheless, Baltimore proved resistant to federal guidelines in a variety of ways, and the district was deemed to be in non-compliance with numerous aspects of the law in 1980. Major points of contention included extensive waiting lists, shortages of qualified instructional staff, and an absence of several mandated special services. Local administrators responded to some of these allegations with corrective measures, but others were ignored as local administrators insisted that the district lacked the fiscal capacity necessary to comply. Staffing was a particular problem in recent years, as the district salary schedule was unable to compete with most neighboring districts. "Statewide, other subdivisions don't have the problems that Baltimore city is experiencing," noted a state special education administrator, who underscored the high expense of special education and the funding dilemmas facing Baltimore. A particular problem for Baltimore--and each of the other districts to a lesser extent--was the tendency of the federal law to expand special education enrollment dramatically, thereby placing added pressures on scarce resources. A Baltimore special education administrator observed that Baltimore needed an increase of approximately 25 percent in its overall special education budget to "comply with every aspect of the law." Given the minimal likelihood that such resources would become available, Baltimore responded with a variety of shortcuts--many of them directly resistant to federal rules--in an effort to keep basic special education programs running.

Milwaukee underwent intense scrutiny from a state education department with its own special education agenda. But the district made numerous efforts to comply with the federal legislation. Its primary problems were with the Wisconsin Department of Education rather than the federal government. The state passed extensive special education legislation in 1973, and was critical of Milwaukee in many respects in subsequent years. The district was officially found in non-compliance with state law in 1977. This led to a wide range of administrative and procedural reforms, including the creation of a computerized information system. Federal legislation had an increasing impact on the local scene during this period, but relations with the federal government generally remained favorable. No major compliance problems arose. A 1979 federal site visit raised only one negative comment, which required no local action, while commending many aspects of Milwaukee's special education programs. The federal review applauded the district's diagnostic process, which had been a major point of contention in the adverse state audit. The 1979 visit was the only occasion when federal administrators personally reviewed Milwaukee programs. Contact with state officials was more frequent, although Milwaukee had no major compliance problems after the 1977 finding. Funding consistently grew from federal, state, and local sources in the past decade, as the Milwaukee district enjoyed a fiscal capacity far more amenable to expensive special education programs than did Baltimore.

San Diego underwent a similar transformation in its special education programs in the last decade, but avoided the controversies with state officials that beset Milwaukee. San Diego officials, in fact, appeared to have virtually bent over backwards to comply with most aspects of federal and state special education law. Extensive procedures were developed to assure compliance; the district kept extensive computerized records, in part to satisfy external evaluation requirements, and created an internal auditing team which visited schools periodically, attempting to keep them "on their toes." The state reinforced this activity with careful monitoring of district activities, including preparation of the state-required "master plan."

The rather rigorous enforcement of the state and federal laws produced some local level resistance, particularly among principals and teachers. Implementation of the "least restrictive environment" provision (mainstreaming) and the "individual educational plan" encountered some opposition. The related services section of the legislation, particularly the degree of responsibility school districts have to provide services after school hours, also prompted questions of interpretation and implementation. As is the case in each of the other districts studied, the biggest compliance problem raised by federal and state special education legislation was the paradox of mandated service levels and lack of funding to compensate districts sufficiently for the added expense.

San Diego special education was in many respects a hallmark of a highly professional bureaucracy in which external requirements were taken very seriously (much more so than in Baltimore). One factor which facilitated such an administrative approach was the district's relatively sound fiscal capacity through the 1970s. Special education programs have cost the district an unexpectedly large amount, forcing it, according to one observer, to dip into general education funds for additional revenues. Unlike in Baltimore, these general funds were available, thereby permitting the district to remain in compliance. But if the district's fiscal capacity deteriorates in upcoming years—as seems entirely possible given the constraints increasingly being imposed upon most California districts--San Diego might have no choice other than to become more resistant to service mandates imposed by the state and federal levels.

Dade County paralleled San Diego in a variety of respects, although it has had fewer funding concerns in recent years. Moreover, it had developed well in advance of federal law some of the approaches to special education service delivery eventually embraced in federal legislation. The Florida department of education played an extensive role in monitoring local compliance. State reviews were characterized as exceedingly thorough and likely to expose some compliance problems, but these rarely ignited into major conflagrations because Dade had both the resources and the local administrative and instructional staff to quickly bring either district or site level problems into compliance. Central office administrators, in fact, welcomed the extensive state review process because it assisted the district in keeping individual school programs in close compliance with federal and state regulations. "We're so big we can't cover it all," noted one administrator, who explained that the state review teams "swoop down" annually with detailed analyses and subsequent recommendations for improvement, where necessary.

Unlike Baltimore and Milwaukee, there were no severe compliance problems, and the various sources of funding for the district grew sufficiently to cover most mandated services. The private service placement provision--for students whose needs require private schooling--proved surprisingly expensive and troublesome to implement. However, the district was able to direct a substantial portion of its federal special education funds to this area to help alleviate the problem, unlike other districts which had to scatter federal resources over a wide range of areas, with less thorough procedures for oversight of private placements.

Summary. The unitary model cannot fully account for federal education program implementation, but inter-city differences are strikingly similar to what the model anticipated. The greater the fiscal capacity of a district, the more responsive to federal guidelines it proved to be in both the cases of Title I and special education. This finding needs to be qualified, however, in one major respect: in all four districts cooperation and compliance with federal requirements was unexpectedly high in all four of the cities. Even fiscally constrained cities seemed to make an effort to respond to federal guidelines. In all cases, federal, state and local administrators searched for consensual resolution of their common problems. The federal system seemed to be much more of an intergovernmental "partnership" than the unitary model, with its stress on competing national and local objectives, seemed to anticipate. We shall return to this point in conclusion.

The Bargaining Model and Group Influence

The bargaining model views the implementation process as a function of the competition of groups and interests at national and local levels. It focuses on the way in which various constituencies exert pressures on program implementation and school district leaders. In the redistributive sphere, the higher the degree of group organization and activity in a local school district, the more responsive to federal guidelines local administrators will be. The projections of this bargaining model do not accurately predict the actual findings. Deviations from the expected pattern are greater than those in the case of the unitary model. Program direction and focus have little relation to the degree of group organization and activity.

Groups formally mandated by federal statutes and regulations existed in both compensatory and special education policy areas and were present in each of the cities, and in some cities larger community organizations indicated interest in federal program implementation. But even though group activity existed, federal guidelines and regulations were stronger driving forces behind implementation. Superintendents and school boards, the two parts of the school system most directly exposed to group pressure, generally demonstrated little interest in--or, in several instances, knowledge of--the federal programs. The functionally-based modern urban school system appears largely insulated from outside pressures. Thus in each of these four urban districts, group influence was the exception. To the extent that it existed, it was often focused on individual student cases, particularly in special education.

This is not to say, of course, that groups were not influential in each and every case. At the level of federal policy formation, groups representing the recipients of federally-funded educational services were actively involved participants throughout the 1970s. At the local level, group activity differed from district to district and, in some instances, clearly influenced administrative decisions in implementation. Since Title I and special education were the most expensive and politically prominent federal programs for elementary and secondary education, they were unlikely to escape group attention altogether. Title I was designed for predominantly minority constituencies, and it was a natural target for minority-based interest groups. Special education was ripe with opportunities for group involvement, either through formal councils or individual parent participation. In both programs there were traces of group activity. Nonetheless, group influence did not begin to approach the influence projected by the bargaining model.

Title I and Group Influence

As is shown in Table V-3, interest group influence was quite low in all four cities, regardless of the extent to which groups were organized and active in educational matters in the district. Particular attention in our review of Title I was paid to minority-based interest groups, since compensatory education funds were generally directed at minority communities. It might be expected that Baltimore's predominantly black population would be represented by a more diverse collection of minority groups than predominantly white San Diego, yet group activity and influence—even demonstrable group interest—was found to be minimal in both cities. Traditional groups such as the Urban League and NAACP were not active in Title I at the local level in Baltimore or elsewhere. Furthermore, Dade County and Milwaukee, which have somewhat greater group activity in public education generally, had a very limited amount of group influence over Title I implementation.

Table V-3

Group Influence and Title I Implementation

Degree of Group Organization and Activity in Educational Programs	Degree of Influence over Title I Implementation: Low	Degree of Influence over Title I Implementation: Moderate
Low	San Diego Baltimore	
Moderate	Milwaukee Dade	

The cases. Baltimore maintained the school and district advisory councils required by law for Title I, but these organizations tended to be moderate and rarely questioned district policy. Parent leaders of the District Advisory Committee (DAC) revealed a very superficial understanding of the program. They saw their responsibilities as lending public support for the program and recruitment of volunteer help in providing services. They were virtually unaware of allocation procedures, curricular decisions, and adverse audit findings. The DAC occasionally produced leaders with some political sophistication and influence, but these types of individuals were generally well-connected politically before joining the council. The Project Manager of the DAC in 1981-82, for example, was extremely knowledgeable and probably could influence certain policy decisions. But she was appointed by the city, and was widely perceived as an intermediary between district and parents instead of a resource person responsive to parent and community groups.

Furthermore, the extremely politicized nature of the Title I program in Baltimore often deterred local school groups from taking assertive action. "They hold the federal dollars over our heads, and they can pull them back at any time," explained one principal. Groups were reluctant to challenge district policy given this threat. The district not only played political games, but also tended to release obfuscatory information on the program to the public. "Across the city, people don't know what's going on," said another principal. An occasional parent group asked some demanding questions, but a leading Title I administrator noted that these caused "no problems" and never resulted in any significant changes in policy. District Title I administrators consistently noted that their latitude in allocating funds was fairly large, particularly given the high proportion of Baltimore students who could be officially designated as "disadvantaged" and were thereby eligible but did not automatically qualify. The long lists of eligible students and schools assured substantial unmet need, thereby permitting discretion in the allocation of funds and (it was said by some critics) refusal to reward outspoken groups.

Significant group influence was even more difficult to discern in the San Diego case, where few major issues were raised by schools' various advisory councils. Parents who participated on the councils were primarily concerned that, with federal cuts, the program would be dismantled; as in Baltimore and Dade County, much of the group attention focused on this dilemma, with far less attention paid to program administration. It did not, in fact, receive any substantial challenges from either parent or other community groups.

Milwaukee and Dade County differed slightly from the other two cases in that groups played a somewhat more prominent role and exerted some degree of influence over implementation of Title I. The program did not attract much group attention in either district, however, except for the federally-mandated councils. On occasion, such local and district advisory councils demonstrated some capacity for influence. Milwaukee parent advisory councils lobbied successfully at one point to maintain social services aides and minority staff in the guidance and psychological counseling services. They seemed far less amenable to do the bidding of the central administration than in Baltimore and San Diego.

Nonetheless, many of the local councils in Milwaukee lacked full membership and were generally uninformed about Title I. The more assertive and influential councils focused primarily on individual school problems; they rarely addressed district-wide policy. Moreover, at the district council level, an extensive review of the issues considered and recommendations directed at the administration revealed that most such matters were of a very general nature. They were rarely addressed seriously by the administration. The district's leading Title I administrators tended to view parent councils as a required nuisance, and demonstrated little evidence of paying anything beyond lip service to their concerns.

Dade County administrators viewed councils somewhat less disdainfully, in part because of a preoccupation with avoiding any racial tensions. The late 1970s indictment and subsequent departure of the highly-popular black superintendent, who was a champion of the Dade Title I program, was followed with the ascension of a predominantly white team of administrators to the highest positions in the district. Given the public acclaim of Title I in Dade County and the fact that program enrollment was overwhelmingly black, any perceived shortcoming in program administration could expose the district to charges of racism.

Efforts to defuse potential problems included the superintendent's willingness to meet regularly with the Title I DAC. Parents were generally very knowledgeable about the program, attributable in part to the extensive in-service training sessions and conferences the district offered them. As in Baltimore and San Diego, most of the local councils tended to be boosters of the program, and many parents were hired as Title I staff members. However, some school councils used the requirement that the council must "sign off" on each year's plan as leverage to gain particular goals. One board member was very interested and active in the program, proving responsive to various groups. Yet she was the lone black member of the board and was not particularly influential. In short, governance of the Dade Title I program remained firmly entrenched in the district bureaucracy, although the district was sensitive to group concerns and thereby afforded them more opportunity for input than in other cities.

Summary. Despite some differences among the cases, groups generally had an extremely limited degree of influence over Title I policy. Even in Dade County and Milwaukee, where groups were most active, there was little evidence that they had more than token influence. In each of the districts, federally mandated groups were in place, but they provided little indication of any activity that transcended a perfunctory role. And in none of the four districts could we discover a prominent role for any group outside the mandated advisory councils. Group influence in special education was somewhat greater, but it too fell short of the projections of the bargaining model.

Special Education and Group Influence

The nature of special education is such that group activity took a somewhat different shape than in Title I. Special education services are aimed at identifiable individuals with distinct handicaps, whereas Title I compensatory education services are directed broadly at socioeconomically disadvantaged and low-achieving students. Special education programs included students from virtually every range of the socio-economic spectrum, while Title I concentrated on poor, minority children. Parental advisory councils, as in Title I, were required. But, in addition, the special education law was designed to "individualize" services for children, creating an elaborate testing and placement process for each child. Extensive due process procedures were established to permit parents and groups to challenge any actions of the school district they found questionable. A series of court cases, in fact, provided the initiative for Congress to take unprecedented steps in the area of special education.

Parental and community influences, therefore, were more discernible in special education than in Title I, given the elaborate participatory procedures that were established. A wide range of national and state special education organizations were developed, which attempted to influence legislation and policy implementation. In spite of this, in three of the four school districts, group influence was not as strong as the bargaining model anticipated. The most influence was exercised by individual parents of handicapped children who attempted to use the various legal mechanisms available to secure the best individual program for their child. Such parents, or small clusters of them, raised the initial challenges to traditional school system treatment of the handicapped, that in many respects made passage of the Education for All Handicapped Children Act a political reality. Each district's special education division recognized the pressures imposed by individual parents and made substantial efforts to respond. But, in contrast, parents and community groups proved much less likely to coalesce in attempting to influence general district policy. As is shown in Table V-4, Milwaukee was the biggest exception to this pattern, given the fairly prominent role played by a local task force in the 1970s, and San Diego resembled it in a number of respects. Both of the other two cases had fairly substantial interactions with parents, but these dealings had limited influence on overall special education policy in the district.

Table V-4

Group Influence and Special Education Program Implementation

	Degree of Influence over Special Education Program Implementation	
Degree of Group Organization and Activity in Educational Programs	Low	Moderate
Low	Baltimore	San Diego
Moderate	Dade	Milwaukee

The cases. Milwaukee special education represented the greatest deviation from the general finding of limited group influence on policy implementation. It is the only case in the four cities which conformed substantially to propositions derived from the bargaining model. The most dominant group in special education in Milwaukee was the Exceptional Education Task Force, an advisory body independent of the superintendent that was created by the school board in 1971. This group maintained diverse representation, including about one-third school personnel, and was guided by an outspoken community leader from its inception. The task force directed much of its attention to lobbying in Madison during its first years and successfully influenced passage of major special education legislation in 1973. In subsequent years, the task force was active in many major issues confronting the special education division; it astutely shifted back and forth between adversarial and supportive postures with the district. The task force maintained regular contact with top administrators. It played somewhat of a watchdog role over implementation of the federal plan.

Some smaller groups, with more specialized concerns, also exerted influence. These organizations, unlike the task force, were composed primarily of parents of children with a common handicap, who lobbied the district for special services for their children. Despite the existence of these organizations, most parents played a less active role. A task force leader noted that it was very difficult to "mobilize the parents, since they are scattered throughout the city, and are not concentrated in one or several schools."

Baltimore had some group activity, but this was largely limited to ad hoc networks of parents either endorsing special education programs before the school board or writing en masse to state or national representatives, usually in search of additional funding. The most prominent special education group within the district was the Maryland Advocacy Unit for the Developmentally Disabled (MAUDD), which was created by the federal Developmental Disabilities Act of 1977. MAUDD was very active in attempting to secure services for the handicapped in Baltimore, including special education. The organization's efforts were geared primarily toward individual cases, however, instead of pursuing broader policy questions. The parents who became most deeply involved with MAUDD--and the district--were usually those who were dissatisfied with the result of a specific decision affecting their children. In their demands for additional services, they were represented by either MAUDD staff or privately-retained attorneys. This activated a review process, and many parents used whatever political connections they had to gain a favorable decision. These parents generally surpassed the median in terms of economic well-being and political knowledge and connections. The same pattern was said to occur in San Diego and Dade County.

In these two districts administrators attempted to retain professional authority over most aspects of decision-making, while placating parental concerns that arose. Several Dade County administrators noted their general aversion to any complicated legal dealings; when parents alleged inadequate service provision and threatened to seek a hearing, the district frequently acquiesced to their demands to avoid the expensive alternative of fighting the demand. But parental and community pressures remained focused largely on individual cases, and the DAC was splintered by such concerns. A similar pattern was discernible in San Diego, where professional educators wanted to minimize frictions. In these cases, the officially designated channels of participation did generate some parental influence, particularly in San Diego where a close relationship emerged between special educators and concerned parent groups. The San Diego Community Advisory Council often found district administrators responsive to specific concerns, and also demonstrated a willingness to run political interference for the district, publicly defending various decisions. Nonetheless, such groups exerted sporadic rather than systematic influence over the administrators and instructors of the enterprise.

Summary. With the exception of the Milwaukee case, and San Diego to a lesser extent, group influence on implementation of the special education program was limited. Although instrumental in passage of the federal legislation and more influential than their Title I counterparts, organizations representing the recipients of special education services were decidedly less influential on program implementation than were the providers of those services. Groups and opportunities for parental and community input were mandated, as in Title I. But advisory councils tended to play a perfunctory role, and the most discernible external influence exerted on service delivery usually involved parents who sought, largely bereft of group support, a specific educational program for their children. Aside from these required avenues of participation, major groups in each district virtually ignored special education. Local administrators effectively responded to federal program requirements in each of the districts, including Milwaukee, and retained control over program implementation, largely free of group influence.

Conclusions

The findings suggest that the bargaining model fails to describe or explain the process of federal education policy implementation in large urban districts. Despite the federal mandate for group participation in the policy making process, neither these required groups nor other groups with an interest in education policy demonstrated significant capacity to influence systematically program implementation. Mandated groups, in many instances, tended to become boosters of local school activity, and they rarely questioned local administration preferences regarding implementation. Where questions were raised and influence was exerted in special education, it was most likely to involve individual student cases that did not easily lend themselves to group activity. In Title I, most concerns were isolated at the individual school level, with minimal implications for district implementation of federal policy.

A consideration of group influence on other federal education programs might yield different results, but this is doubtful. Conditions favorable to group influence are most likely to be concentrated in redistributive programs, which regularly mandate community participation and involve the greatest amounts of funding, and Title I and special education were the two largest redistributive programs of the federal government. Developmental programs had even less group influence, as was suggested in Chapter IV.

The competing unitary model, by contrast, appears more applicable to describing and explaining federal education policy implementation. Just as the model anticipated, the districts experiencing the greater fiscal difficulties were least effective in carrying out federal intentions. This was as true for special education as it was for compensatory education. The Baltimore case provided striking testimony of the increased resistance to federal program intent of a district with low fiscal capacity. Given Baltimore's high overall reliance on external sources of funding and its dismal local fiscal situation, it took more short cuts and deviated from federal intent more frequently than any of the other three districts studied. And, at the opposite extreme, the district with the greatest fiscal capacity, Dade County, consistently demonstrated the greatest success in carefully complying with federal program intent and carrying out the redistributive mission of programs such as Title I and special education.

Yet, the unitary model, too, has its limitations. The model tends to exaggerate differences based on the fiscal capacity of local governmental units. The surprisingly high overall rate of compliance in all districts suggests that local school administrations retain domination over federal program implementation. The districts consistently abided by federal regulations and guidelines, yet found sufficient latitude to shape federal programs according to locally-determined needs. They deflected most organized group activity with relative ease. This local hegemony, in fact, was characteristic of all the federal programs analyzed in our study. Title I and special education were the most complex and demanding programs in terms of federal strings tied to local implementation, and yet local administrations retained substantial control. Administrative dominance was even greater in the developmental program area.

This overall pattern of cooperation and compliance must also be attributed to the highly-professionalized and functionalized school administrations that evolved in each of the school systems. All four featured a well-established pattern of administrative control which was relatively impermeable to outside influences. Baltimore school operations, of course, were immersed in local political expediencies, but the other districts were largely free of outside political influence. Administrators were, on the whole, able to run programs as they saw fit. They responded to pressures imposed by federal regulations and guidelines and to school board members or superior administrators when pressed, but they retained the greatest working knowledge of individual programs under their charge and molded them according to existing local practices and preferences.

Ironically, the intergovernmental partnership in education seemed as well and thriving in 1980 as it ever had been, just at the moment when partisan political trends began to undermine a federal role. Close observations of the four districts indicated that whatever problems had at one time been encountered in the establishment of this partnership, a cooperative set of relationships, based on common professional norms and experiences, had reduced them to a manageable level. Perhaps implementation studies have focused too often on new programs under the direction of ad hoc administrative structures. The chaos and disorganization that they attribute to the inherent complexities of the federal system may instead be nothing more than the by-product of actions taken by novices and neophytes. As policy-making becomes professionalized and bureaucratized, change comes more slowly, of course. But it may also come more surely. How strange, then, that federal programs are dismantled on the basis of claims made and data gathered before these professional relationships could be firmly established.

That these claims have been plausible to many Americans is to a large degree a function of the way in which racial issues have shaped debates over educational policy. In Chapter VI we turn to the question of racial desegregation to show that this policy arena, instead of being the characteristic instance of a federalism system at work, had unique elements that complicated the workings of the federal system.

Chapter VI

CONFLICTS OVER SCHOOL DESEGREGATION

Few contrasts are as stark as the differences between the politics of vocational education and the politics of school desegregation. If vocational education is a highly specialized arena with little external political influence, desegregation compels community-wide attention. If support for vocational education is diffuse and general, opinion on school desegregation is highly specific and deeply divided. If federal-local relations are close and co-operative on vocational matters, desegregation has often been imposed by federal and judicial authorities on reluctant local governments. Above all, vocational education and school desegregation are justified by quite different principles of legitimation. Vocational education is expected to enhance the capabilities of new members of the community's labor force and thereby contribute to overall economic growth. Desegregation is carried out in the name of racial justice and social equity.

School desegregation is in fact one of the most politically visible programs of social redistribution promulgated in post-war America. It has given blacks and minorities access to schools and programs from which they had been excluded. It gives concrete meaning to the American ideal of equal educational opportunity regardless of race, creed or color. It affirms the dignity of all Americans regardless of race and it responds to the civil rights claims long and urgently demanded by black political leaders. At the same time that it opens up possibilities to minorities, school desegregation is perceived as costly for the many whites who are directly affected. As the term redistribution implies, the gains on one side come at a cost to the other. Whites find their neighborhood institutions patronized by individuals seemingly foreign to their community and culture. They perceive a likelihood of deteriorating educational standards, rising school violence, increased crime and vandalism, falling property values, and "forced" migration from a community which they regard as their own.

In politics, perceptions are often as important as realities. In the case of desegregation, both the benefits apparently enjoyed by minorities and the costs apparently suffered by whites are direct, immediate, and unmistakably recognized by those who are affected by the policy. A black family knows whether or not their child attends an integrated or segregated school. A white family knows if the minority percentage has significantly increased in the neighborhood school. If busing is involved on either (or, especially, on both) side(s), the impact of the policy is even more visible.

Given the costs of desegregation, much is to be said for "emergency school aid" given by the federal government to local districts carrying out a school desegregation program that threatens the interests of the prosperous members of the community for the sake of low-income minorities. Outside help shifts some of the costs of the change from a threatened local district to a national government better equipped to finance redistributive programs. New monies can be used to provide attractive educational opportunities for whites, thereby enticing them to stay in the district. They can also be used to enhance education for minorities as they move into an integrated setting or to pay for transportation costs or any number of other expenses entailed by any substantial effort at desegregation.

However beneficial potentially, any federal program whose purpose is school desegregation runs the risk of encountering strong local opposition. Redistributive programs impose economic costs that local districts usually try to avoid.

As we have suggested, desegregation programs are both redistributive and highly visible policies that typically invoke considerable political controversy. If any federal program is likely to encounter local resistance, aid for desegregation would seem to be the most likely candidate. For these reasons, the Emergency School Aid Act (ESAA), which was authorized by Congress in 1972 to help local school districts undergoing schoool desegregation, could easily have become the subject of great controversy at the local level. That it did not can be attributed to three reasons: (1) the program was generally made available only to those school districts which, for quite separate reasons (usually a judicial court order), had decided on a plan for desegregation; (2) ESAA monies, when granted, were designed to make desegregation more attractive and less expensive to the locality; and (3) districts that did not want to desegregate, and were not compelled by court order to do so, were simply denied ESAA funds. ESAA thus never became the overt engine of school desegregation. Put another way, ESAA funds were seldom, if ever, sufficient to entice school districts to desegregate, if they were not under some other requirement to do so.

The way the program was implemented was in fact little different from what was implied by the political context in which it was passed. Not conceived by the Nixon Administration as a mechanism for hastening integration but as a way of helping school districts in an emergency, the program was modified only partially by liberal Democrats in Congress who were hopeful it could encourage the processes of racial change.

The law certainly did not have enough clout of its own to compel big city school districts to desegregate. The political and economic costs of desegregation, a highly controversial redistributive policy, were so great that some local leaders simply refused to accept ESAA funds rather than develop a plan within Office of Civil Rights guidelines. Even predominantly black school districts, such as Baltimore's, did not regard ESAA funds as worth the price of a comprehensive desegregation plan. If ESAA were the only means of encouraging local school districts to desegregate, very little would have occurred as a result of this legislation.

ESAA's relative success stemmed from its subordination to judicial decisions. At times this could lead to the use of ESAA funds by districts that were making few, if any, efforts to desegregate. In Dade County, where the courts were accepting a slow process of desegregation, funds were used simply for a number of rather unimaginative compensatory education programs and to hire a few human relations specialists. But in other cases, ESAA provided a valuable resource that reduced at least some of the tensions and difficulties that necessarily accompanied the desegregation process. In San Diego magnet schools funded by ESAA became increasingly popular among minority pupils, thereby reducing racial isolation in that district. The results in Milwaukee were even more dramatic. In a community in which the district court order mandated a comprehensive plan, local administrative officials made imaginative use of federal and state resources, community groups were mobilized on behalf of desegregation objectives, and the negative experiences of other cities were put to positive use, ESAA not only assisted school districts in an emergency but aided and abetted the processes of racial integration. We turn now to examine more closely the differing ways in which the program was—or in the case of Baltimore, was not—implemented.

Program Non-Implementation in the Absence of a Desegregation Plan

ESAA was a grant-in-aid program made available to interested states and localities. The OCR in the Office of Education expected districts to file acceptable desegregation plans as part of their application for funds. No district was compelled by the Office to accept the money (and accompanying restrictions) that ESAA offered. As a consequence, according to one study, "a large number of . . . potentially eligible dictricts have not applied for ESAA grants . . . [because of a] dislike for OCR compliance review."[1] Still other districts applied for funds but failed to receive any because their desegregation plans were unacceptable.

Baltimore was one such school district. Even though the Congressional formula distributed funds among states according to the number of minority pupils within them, and might have generously funded the overwhelmingly black Baltimore school district, Baltimore failed to qualify for ESAA monies because OCR concluded it did not have an adequate plan for school desegregation. As is discussed below, Baltimore's actual desegregation policies were little different from Dade County's, a district which received considerable ESAA funding.

But, ironically, Baltimore's success in avoiding a desegration, lawsuit left it without a plan for desegration, acceptable to the court, which would have superceded any OCR requirements.

Program implementation in Baltimore was thus a non-event. Applications were filed but never approved. The federal government was unwilling to give ESAA funds to a school district where in 1976, 67.2 percent of the schools were 90 percent or more minority (see Table VI-1). To point out that more than one percent of the schools were more than 80 percent white in 1976 was evidently an unconvincing counter-response. Baltimore refused to propose a more comprehensive desegregation plan, claiming the small number of whites in the district precluded any major policy changes. For Baltimore, then, the costs of further desegregation outweighed the value of any ESAA dollars the district might receive. As a result, this federal program was never implemented in what might have been thought to have been a highly eligible locale.

Baltimore's unwillingness to submit an acceptable plan to OCR, a reluctance repeated in hundreds of school districts across the country, demonstrates that grant-in-aid programs of moderate size are not sufficiently enticing to persuade local communities to adopt politically controversial programs of redistribution thought likely to have an adverse effect on the community's economic well-being. This is not to say that local communities, if asked to carry out a redistributive enterprise, will refuse federal dollars no matter what the amount. Dade County developed a desegregation plan in 1970 when it became apparent that it would lose large amounts of Title I and other federal funding without such a plan. Yet the Baltimore case (and many

TABLE VI-1

DEGREE OF RACIAL SEGREGATION IN FOUR DISTRICTS
1970-1980

Year	Percent Minority of School					
	0-20	20-50	50-70	70-90	90-100	Total
			Baltimore			
1970	1.8	7.6	1.9	9.5	79.2	100.0
1972	2.1	5.6	5.2	6.1	80.9	99.9
1974	1.9	4.0	10.0	9.4	74.7	100.0
1976	0.8	4.5	12.0	15.6	67.2	100.1
1980	3.8		33.0		63.1	99.9
			Milwaukee			
1970	10.2	9.2	2.2	24.7	53.7	100.0
1972	11.0	10.6	4.7	9.1	64.6	100.0
1974	9.8	11.6	13.2	6.1	59.3	100.0
1976	8.0	31.6	15.6	3.3	41.6	100.1
1980	33.9		43.1		23.1	100.1
			Dade County			
1970	5.9	22.6	13.7	13.7	31.4	100.1
1972	5.3	22.7	16.4	25.2	30.5	100.1
1974	3.2	19.6	18.9	24.8	33.5	100.0
1976	2.2	18.1	18.4	25.6	35.7	100.0
1980	13.1		42.3		44.6	100.0
			San Diego			
1970	5.9	22.6	13.7	26.5	31.4	100.1
1972	5.3	22.7	16.4	25.2	30.5	100.1
1974	3.2	19.6	18.9	24.8	33.5	100.0
1976	2.2	18.1	18.4	25.6	35.7	100.0
1980	48.8		37.9		13.2	99.9

SOURCE: Data for the distribution of minority students of all four school districts for the years 1970, 1972, 1974 and 1976 based on the U.S. Department of Education, Office for Civil Rights," Fall 1970-1976 Elementary and Secondary School Civil Rights Surveys"; Data for the distribution of minority students of all four school districts for 1980 based on the U.S. Department of Education, Office for Civil Rights, "Preliminary 1980 Survey Data."

other, similar cases) suggests that ESAA funds were too limited and too marginal to persuade local districts to desegregate, if they were not otherwise required to do so. Significantly, ESAA was the only educational grant-in-aid program treated this way by the four school districts studied. Whatever differences occurred between federal and local officials in the implementation of other programs, they never led to such an impasse that the district did not receive any of the funds to which it was entitled. Only school desegregation was such a politically controversial program of redistribution that the political and economic costs of accepting federal guidelines outweighed the benefits that a federal grant could be expected to bring.

Baltimore received no ESAA funds, but San Diego and Dade County, with only moderately more ambitious school desegregation plans, received $13 million and $5 million, respectively, between the years 1976 and 1982. That these districts were treated differently from Baltimore was not a function of Office of Education political manipulation, Congressional intervention, or shrewd interest group lobbying. It was simply that the two "sunbelt" cities filed plans acceptable to the courts and were found eligible for ESAA funds. According to ESAA guidelines, such court-approved plans always superceded any regulations that OCR had developed.

Program Implementation in Conjunction with a "Friendly" Court Order

Acceptance of court-ordered desegregation plans in order to fulfill ESAA desegregation requirements had many advantages for the Office of Education. First and foremost, it reduced if not eliminated, conflicts between executive and judicial branches. What the judges decided the bureaucrats simply accepted. Secondly, ESAA administrators, by working within the court-imposed framework, spared themselves the onus of compelling desegregation. Instead, they helped districts by giving them emergency aid when courts ordered the districts to desegregate. The Office of Education, under the circumstances, became not the adversary but the ally of local school officials. Thirdly, such an approach was quite consistent with the Nixon Administration's original expectations for ESAA. The law's title, it must be remembered, emphasized the assistance that the funds provide for districts found in a school desegregation "emergency." And the political considerations motivating the legislation bore the label "Southern strategy." If Congressional modifications had made the law somewhat more appealing to civil rights groups, they did not redirect its thrust in any fundamental sense. What happened in the course of implementation can hardly be said to be inconsistent with the law itself.

Yet the subordination of ESAA policy to judicial decisions created a number of inconsistencies and anomolies. Federal courts, as institutions, are much less hierarchically structured than are administrative agencies. While the Supreme Court reviews lower court decisions which are appealed and is expected to reconcile major discrepancies in lower court decisions, it exercises this authority sparingly and in only the most egregious cases. School desegregation cases, in particular, have been so voluminous, so complex, and so time-consuming that the Supreme Court has exercised its writ of certiorari cautiously. Especially in the area of judicial remedies, the high court has been reluctant to substitute its judgment for that of a judge familiar with the particularities of the situation. In consequence, programs to desegregate local schools approved by district and state court judges have varied dramatically both in the amount of desegregation that has occurred and the manner in which the process has taken place. But whatever the amount or manner, the local district, by implementing the court-ordered plan, found itself eligible for ESAA funds.

Under these conditions ESAA funds could be allocated in peculiar ways. As one study conducted five years after the program had been enacted pointed out, ESAA funds had been received by "less than one-half of the districts known to have had high reductions in minority isolation"; at the same time 14 percent of all districts, and 40 percent of the districts in the North and West that received a basic grant under the program "did not reduce the number or percent of minority pupils in minority isolation to any degree."[2] In other words, funds were given to many districts that were not integrating, even while some desegregating districts were not receiving funds.

The Dade County and San Diego cases illustrate the processes by which ESAA funds were given to cities, even when school desegregation programs were modest undertakings. In both cities local support for school desegregation was no higher than it was in Baltimore. White groups expressed opposition and a sizeable Hispanic population was either unenthusiastic or simply against the idea; even many black community groups gave desegregation only the most lukewarm backing. Yet in both cities a desegregation plan had been ordered by a state or federal court, because a plaintiff had alleged (and shown) that the local public schools were segregated. The judges who heard both cases were sympathetic to the plight of the local school system, cognizant of the lack of local political support for desegregation, and, apparently, doubtful about the value of a more comprehensive desegregation plan. As a result, in both cities only moderate changes in the degree of racial isolation occurred as a result of the judicial intervention.

While the processes by which all of this occurred were enormously detailed, the major facts of each case can be stated briefly. As can be seen in the chronology of events presented in Table VI-2, the desegregation case in Dade County entered the federal court not at the instigation of a black plaintiff but of the school board, which was being prevented from implementing its own desegregation plan by a suit filed in a state court by a group of white parents. The board's own plan had been developed in 1969 in order for the Dade County schools to retain eligibility for federal education funds (not ESAA, which had yet to come into being, but any and all federal funds). The board's own plan took only modest steps toward desegregation; 64 percent of the city's blacks would remain in virtually all-black schools even after its adoption (see Table VI-3). When the district court ordered the board both to desegregate faculty and to develop a more comprehensive plan, the board appealed the case, only to have an even stricter decision handed down by the Fifth Circuit Court of Appeals, which in 1970 was considered one of the most vigorous enforcers of Brown to be found in the country. The changes proposed by district and appeal courts, which are summarized in Table VI-3, reduced the percentage of blacks in virtually all-black schools from 64 to 24 percent.

These court-ordered changes induced a considerable degree of integration. Only 31.4 percent of the minority students remained in schools that were 90 percent or more black and 28.5 percent were in

TABLE VI-2

A CHRONOLOGY OF MAJOR EVENTS ASSOCIATED WITH SCHOOL DESEGREGATION IN DADE COUNTY

1959	Voluntary ethnic transfer program adopted by the Dade County School Board.
1968	The Department of Health, Education and Welfare conducts a review of the Dade county schools system. Concludes that it is segregated and threatens to withhold federal funds.
1969	School Board adopts a voluntary desegregation plan. Civil action (Pate versus Dade County School Board) filed in the Eleventh Circuit Court of Dade County, Florida to prevent implementation of the plan.
August, 1969	Dade County School Board removes the civil action to the District Court, S.D. Florida. The District Court, Judge C. Clyde Atkins presiding, approves the Interim Desegregation Plan, lifting the Circuit Court injunction (307 F. Supp 1288).
Fall, 1969	Pate decision appealed to the Court of Appeals and is remanded (430 F.2d 1175).
Dec. 10, 1969	District Court orders a plan for pupil desegregation as well as desegregation of faculty and other staff.
March 31, 1970	Final Desegregation Plan filed for District Court approval. Approves of plan for faculty desegregation and studies student desegregation.
June 26, 1970	District Court approves, with modifications, pupil desegregation plan. Leaves twenty-three schools segregated (315 F.Supp 1161).
August 12, 1970	Case appealed to Court of Appeals. District Court decision affirmed in part and reversed, in part. Twelve schools left segregated (434 F2d 1151).
1970 to present	School Board requests and receives continuing jurisdiction of District Court over Pate decision. Dade County Schools files regular reports to the District Court on implementation of desegregation plan.

TABLE VI-3

DEGREE OF EXPECTED SEGREGATION UNDER THREE PLANS FOR DADE COUNTY SCHOOLS, 1970

Type of School	Board of Education Plan	District Court Plan	Appeals Court Modification of District Plan
	Number of schools more than 85 percent black		
Elementary	30	18	10
Junior High	4	4	1
Senior High	2	1	1
TOTAL	36	23	12
	Number of black students attending schools more than 85 percent black		
Elementary	23,403	16,510	9,404
Junior High	6,116	6,116	1,550
Senior High	5,153	2,960	2,960
TOTAL	37,672	25,585	13,914
	Percentage of blacks attending schools more than 85 percent black		
	64	44	24

OURCE: U.S. Court of Appeals, Fifth Ciccuit. Pate v. Dade County School Board. 134 F. 2d 1151 (1970). Appendix C.

schools where whites were in the majority. But these changes took place prior to the passage of ESAA. In subsequent years, when ESAA funds became available, the degree of minority isolation actually grew worse. The percent of minorities in 90 percent or more minority schools increased by over 13 percent between 1970 and 1980, and the percent minority in white majority schools fell by over 15 percent (see Table VI-1).

Dade County nonetheless remained eligible for ESAA funds. The district court retained jurisdiction over the school system throughout the 1970s, annually approving its desegregation "progress." Although civil rights groups complained in 1979 of increasing segregation, and the school's black superintendent, Johnny Jones, proposed to his board that desegregation be accelerated by a school pairing plan, the court did not intervene when the school board rejected the proposal. The court's failure to act may have been due to the lack of any formal complaint to review. As one local expert observed, "It isn't the judge's job to ride herd on the school board. The judge can only act when he has a complaint. And nobody is complaining."[3]

Programs funded by ESAA in Dade County were quite modest and by 1980 they lacked whatever élan they might once have had. Expenditures were never greater than $1.3 million dollars a year (see Table VI-4). Although the programs were said to serve 5,000 elementary school students, 2,000 junior high school students, and 1,000 senior high students, the actual impact was much less than these figures suggest. Minority group children in elementary schools were given an opportunity to spend a few hours each week in either an academic excellence laboratory or a career exploration laboratory, and at the high school

TABLE VI-4

AMOUNTS OF EMERGENCY SCHOOL AID ALLOCATED TO THREE SCHOOL DISTRICTS, 1976-1982

Year	Amount Allocated
Milwaukee	
1976-77	$3,409,724
1977-78	5,938,030
1978-79	7,842,034
1979-80	6,329,690
1980-81	7,582,722
San Diego	
1978-79	$2,500,000
1979-80	3,000,000
1980-81	4,600,000
1981-82	2,600,000[a]
Dade County	
1976-77	$1,346.002
1977-78	1,290,143
1978-79	1,346,655
1879-80	1,324,006
1980-81	926,595
1981-82	593,000

[a] Estimated by local district officials.

level, nine inter-group relations specialists worked to minimize racial tensions in the schools. Magnet schools, specialty programs or other devices to enhance integration were not included in ESAA programming. Instead, administrators spoke of ESAA as primarily a "remedial program" like Title I but on a smaller scale. No administrator claimed the monies had significantly eased the process of racial transition, much less having hastened it in any way.

While school desegregation in Dade County occurred in 1970, well before the passage of ESAA, a court did not order desegregation in San Diego until January 1977. As can be seen from the chronology presented in Table VI-5, earlier efforts to litigate the issue in San Diego were rejected by the court on the grounds that de facto segregation required no judicial remedy. But interpretations of the state constitution made by the California Supreme Court encouraged a plaintiff in San Diego to file a suit in the early 1970s, leading to a decision by a state superior court that segregation in San Diego required positive action by the city's school board. However, the judge, said to be disturbed by the disruption caused by desegregation programs in Los Angeles, only required that the board develop a voluntary desegregation plan. Realizing that a voluntary plan would not end racial isolation, the judge also called for a major reading achievement program in the racially isolated schools that would compensate minority pupils for the lack of integrated learning opportunities. In short, the court did not compel pupils to attend any school other than the one serving their neighborhood.

TABLE VI-5

A CHRONOLOGY OF MAJOR EVENTS ASSOCIATED WITH SCHOOL DESEGREGATION IN SAN DIEGO

	Chronology of Proceedings
December 4, 1967	Class action suit brought by the parents of Kari Carlin against the school district (Kari Carlin v. San Diego Unified School District. The American Civil Liberities Union becomes involved.
1968	The Superior Court of San Diego County finds that the San Diego public schools are *de facto* segregated. No remedy is mandated.
1976	The California Supreme Court rules on *Santa Barbara v. Superior Court* and *Crawford v. Board of Education*. *De facto* segregation is found to violate the State Constitution.
1975-1977	Case reopened by the ACLU on behalf of the plaintiffs. January 26, 1977 Judge Louis Welsh of the San Diego Superior Court finds for the plaintiffs. Twenty-three schools are ruled unconstitutionally segregated. Schools with more than 80 percent minority populations are defined as "racially isolated."
1978-1981	Annual court orders overseeing the implementation of "voluntary" desegregation.
1980	Appeal made by the plaintiffs represented by Veronica Roeser of the ACLU. The Appeal calls the present desegregation plan a "failure" and accuses Judge Welsh of bias because of close relations with school district figures.
1981	Court of Appeal of the State of California, 4th Appellate District, remands the *Carlin* case to the Superior Court. It finds no gross wrong doing but reprimands Welsh.
Summer, 1981	Judge Welsh steps aside. He is replaced by Judge Orfield.
1982	Judge Orfield orders inclusion of bi-lingual programs in desegregation plans.

ESAA had a more central place to play in this voluntaristic approach to school desegregation than it did in Dade County. Having become eligible for ESAA funds by virtue of having a court-approved integration plan, the San Diego school board used these funds, as well as a separate supply of state funds designated for similar purposes, to finance its magnet schools. The remainder of the ESAA funds were used to underwrite the achievement goals program which the court hoped would accelerate learning in all-minority schools.

The voluntary desegregation program has had moderate success in San Diego. The percentage of minorities in virtually all-minority schools fell from 35.7 percent in 1976 to 13.2 percent in 1980, a decline of 22.5 percent. The percentage of minorities attending white majority schools increased from 20.3 to 48.8 percent over the same period of time. While integration was increasing mainly because minorities were choosing to attend a school outside their neighborhood--only 19 white students participated in the voluntary busing program in 1981--the voluntary plan seemed at least moderately successful. On the other hand, one might have expected more from a desegregation plan in San Diego, a growing city with relatively ample economic and fiscal resources and a white student population of 52.1 percent, the highest of any of the four cities. San Diego might have been able, by means of a more comprehensive plan, to have eliminated its racially isolated schools altogether. Instead, it pursued an achievement goals program in these schools.

At this the school system had less apparent success. First reports, to be sure, were spectacular. Striking reading score improvements by minority group children in the program were announced only a year after the program began. But while administrators and judges were basking in the glow from these findings, word leaked out that the tests had been improperly administered. Upon investigation the court-appointed evaluator discovered that pupils had been given instructional materials with "questions remarkably similar to those" included on the test. As the scandal spread, both the judge and school board members became outraged. Pressure on the veteran superintendent, Thomas Goodman, to resign intensified, and he did so within a year.

That only moderate, voluntary programs were developed to desegregate San Diego's schools, even when the percentage minority in the city was much less than in other big cities, and even after a court had taken direct responsibility for the desegregation plan, must be attributed both to the city's conservatism and to the paucity of group activity in minority neighborhoods. Opposition to compulsory integration was pervasive in the white community. It included the board, administrators, court officials, business leaders, and the news media, not to mention "Groundswell," the vocal anti-busing group that sprang up in opposition to the proposals ordered by the court. Latinos were hardly more interested in integration. Instead, they asked for bilingual education. While several thousand black students did choose to go to integrated schools, black leaders showed little enthusiasm for a more comprehensive desegregation plan. Those few, weak black organizations that had any active interest in school affairs seemed more concerned about the quality of education in neighborhood schools than in a compulsory desegregation plan. In this context, the modest court proposals won broad acceptance, and ESAA helped a school district establish a voluntary program of moderate dimensions.

ESAA Implementation In Aid of Comprehensive Desegregation

ESAA created few problems but had at most a limited impact in three of the four cities studied. Baltimore was refused funding altogether; Dade County, hiding under a court order, received some monies but hardly used them to advance desegregation objectives; and San Diego mounted under court order an ESAA-funded magnet school program of moderate proportions. In the fourth city, Milwaukee, ESAA's policy impact was substantially greater. Blended together with state and local funds, ESAA was used creatively by an imaginative local administration to help finance a major plan for school desegregation. While such a plan could not have been promulgated except by court order, the availability of substantial state and federal funds considerably eased the processes of implementing the policy. In this one city at least emergency school aid fulfilled its promise, aiding and easing the way in which a district implements a redistributive program in a highly politicized context.

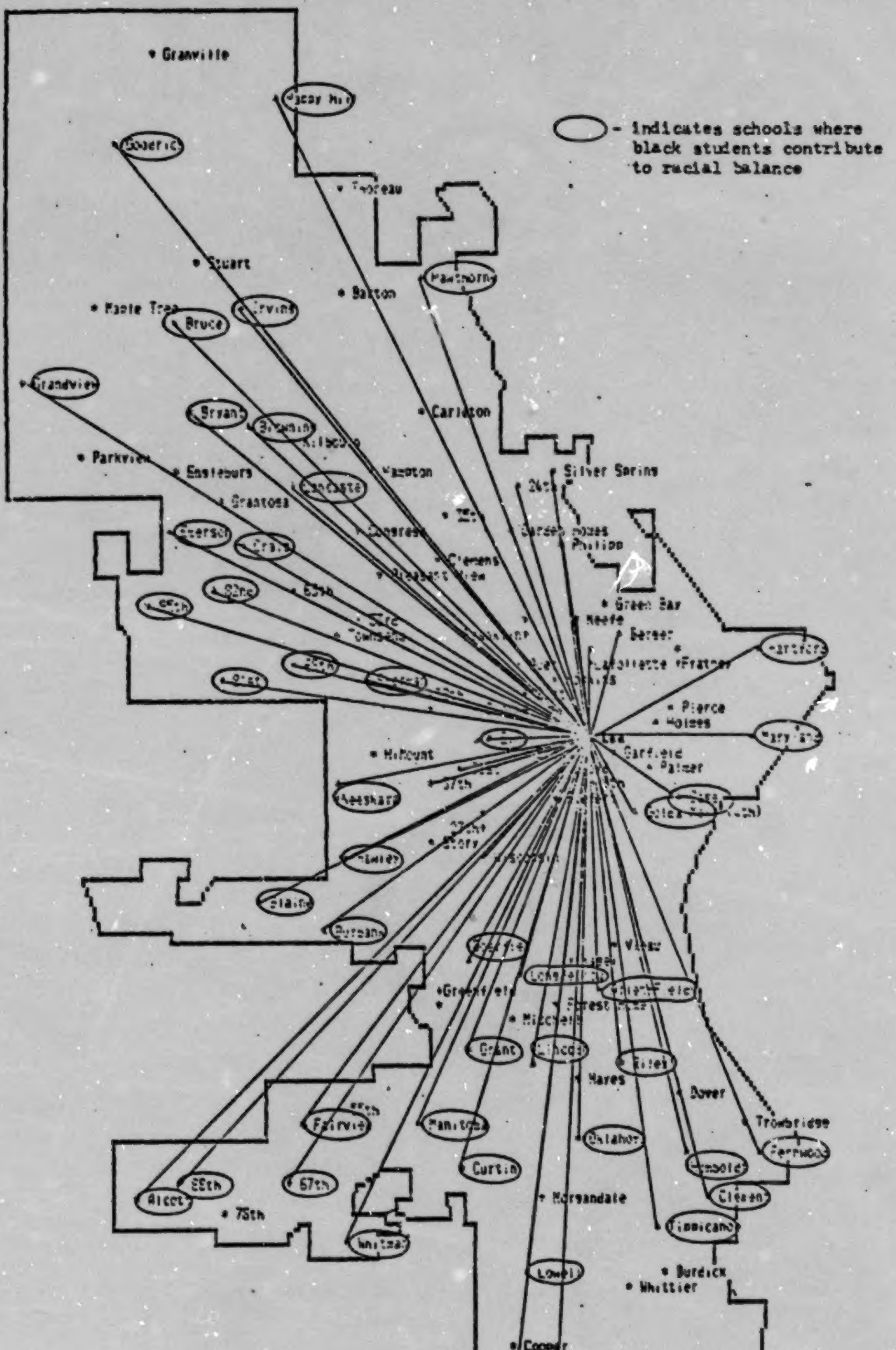
The comprehensiveness of the Milwaukee school desegregation is evident from the information presented in Table VI-1. Whereas in 1974 59.3 percent of minority students in Milwaukee were in virtually all-minority schools, by 1976, the first year of the three-year plan of implementation, the percentage fell to 41.6 percent and by 1980 dropped to 23.1 percent, an overall decline of 36.2 percent (as compared to 22.5 percent in San Diego). On the other hand, the percentage of minority pupils attending white majority schools increased by only 12 percent over the same period of time, but that must be attributed at least in part to the fact that the percentage of white pupils, who had been 58.9 percent of the city's school population in 1976 had fallen to 45.3 percent by 1980.

Milwaukee achieved this degree of integration by inaugurating a comprehensive program, which, over a three-year period of time, was expected to affect every school in the district. Although billed as a voluntary desegregation plan built around magnet schools and specialty programs--parents and students were allowed to rank schools in their order of preference--the program had compulsory features to it that were lacking in San Diego. First, all schools were expected to be integrated as a result of the plan; second, preferences for a neighborhood school were not allowed to dominate all other considerations; and third, parents and students did not necessarily attend the school of their first choice. Instead, the school system took information about the choices of families into account in an allocation pattern that also gave great weight to racial balance considerations.

To carry out the project required a massive busing program. Not only did school buses run in the morning and evening, but students were also allowed to attend a neighborhood school for part of the day and then attend a specialty school for the remainder. All high schools in the district were connected by school transportation during the noon hour to facilitate such transfers. The extent to which the program could lead to a dispersal of students from any particular neighborhood to schools throughout the city can be seen in Figures VI-1 and VI-2.

The quality and breadth of the magnet schools and specialty programs were regarded as a key component of the desegregation program. In the 31 magnet schools, programs ranged from an emphasis on basic skills to schools for the creative and performing arts to French and German language immersion schools. The most popular of these magnet schools had long waiting lists for entry. Specialty programs located in the high schools also offered varied programs. One taught students about trucking; another offered courses in health services. Washington High School, the scene of racial tension and unrest in the early 1970s, offered an office management and training course. Sophisticated equipment, including computers and word processors, were used along with typewriters in a simulated office setting.

Needless to say, such a comprehensive plan for desegregation did not occur without incident. As can be seen from the chronology of events presented in Table VI-6, the case, originally filed in 1965, did not reach the trial stage until 1973, and the decision of the court was delayed until early 1976. Although the school board's attorney and administrative staff felt they had reached the best possible settlement in district court, the school board, concerned about opposition from white constituents, insisted on appealing the case, even though the appeal was to occur simultaneously with the first stages of plan implementation. When the Supreme Court partially overruled the district court and remanded the case to the district level for rehearing, the third and final stage of the plan was replaced by a new


- indicates schools where black students contribute to racial balance
Granville
Thoreau
Goodrich
Stuart
Maple Tree
Bruce
Irving
Hawthorne
Barton
Grandview
Carleton
Bryant
Browning
Kilbourn
Parkview
Eastbury
Hampton
Silver Spring
Grantosa
Congress
Emerson
Craig
Clemens
Garden Homes
Phillipp
Pleasant View
92nd
65th
Green Bay
Townsend
Berger
Hartford
LaFollette
Fratney
Pierce
Holmes
Maryland
Lee
Garfield
Palmer
Hillcrest
37th
Siefert
Neeskara
Story
Lowell
Blaine
Burbank
Vieau
Longfellow
Greenfield
Forest
Mitchell
Grant
Lincoln
Riley
Hayes
Dover
Trowbridge
Fernwood
Fairview
Manitoba
Oklahoma
Curtin
Humboldt
Clement
Alcott
88th
67th
75th
Morgandale
Whitman
Tippecanoe
Lowell
Burdick
Whittier
Cooper
Wilson
Victory
Garland

ure VI-1. Black Students Busing from Lee Elementary School Attendance Area: 1979-80

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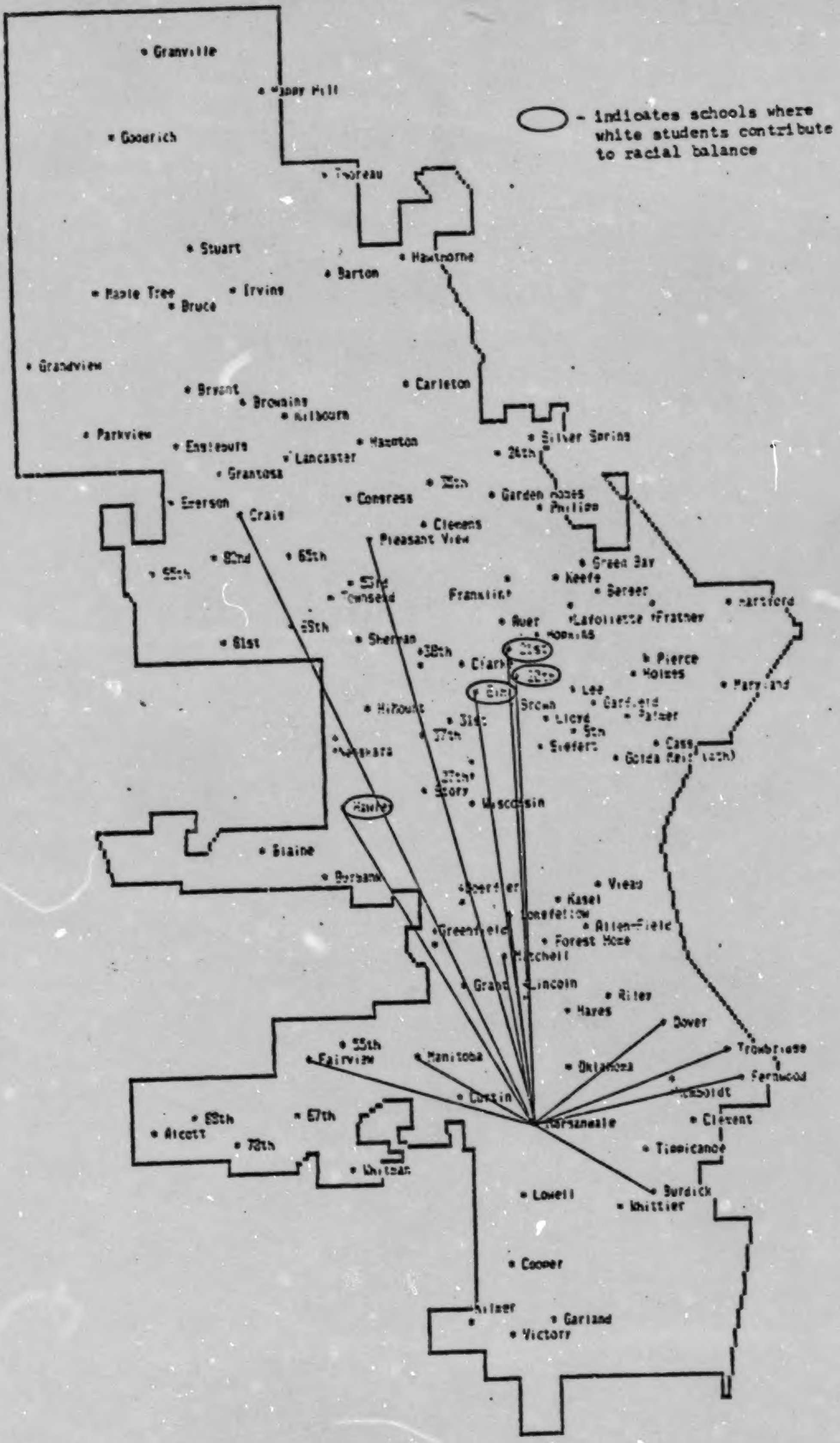
- indicates schools where white students contribute to racial balance
Granville
Happy Hill
Goodrich
Thoreau
Stuart
Hawthorne
Barton
Maple Tree
Irving
Bruce
Grandview
Carleton
Bryant
Browning
Kilbourn
Parkview
Engleburg
Hampton
Lancaster
Silver Spring
26th
Grantosa
35th
Garden Homes
Emerson
Congress
Phillips
Craig
Clemens
Pleasant View
82nd
65th
Green Bay
55th
53rd
Keefe
Townsend
Franklin
Bergen
Lafollette
Frattney
Hartford
69th
Auer
Hopkins
81st
Sherman
38th
21st
Pierce
Clark
20th
Holmes
Maryland
Siefert
Brown
Lee
Garfield
Hitkouts
31st
Palmer
27th
5th
Cass
Neeskara
Golda Meir (4th)
37th
Story
Hawley
Wisconsin
Blaine
Vieau
Burbank
Doerfler
Kagel
Longfellow
Allen-Field
Greenfield
Forest Home
Mitchell
Grant
Lincoln
Riley
Hayes
Dover
Trowbridge
35th
Fairview
Manitoba
Oklahoma
Fernwood
Humboldt
Cortin
Morgandale
Clement
69th
67th
Alcott
78th
Tippecanoe
Whitman
Burdick
Lowell
Whittier
Cooper
Kilmer
Garland
Victory

Figure VI-2. White Students Busing from Morgandale Elementary Attendance Area: 1979-80

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TABLE VI-6

A CHRONOLOGY OF MAJOR EVENTS ASSOCIATED WITH SCHOOL DESEGREGATION IN MILWAUKEE

Chronology of Events	
December 1965	Class action suit (Amos v. School Board of Directors of the City of Milwaukee) brought by the president of the local chapter of the National Association of Colored People, Lloyde Barbee.
1973-1974	Thirty day trial on Amos suit. Decision delayed.
January 19, 1976	Milwaukee Public Schools are found to be unconstitutionally segregated by the federal district court. To be racially balanced, the student bodies of each district school must have between 25 and 45 percent black students.
1976-1977	Schools begin desegregation process. One-third of the schools in the district are to be desegregated each year.
1976	School Board hires Lawrence Hammond to appeal the decision of the District Court.
Jan.-Feb. 1978	U.S. Supreme Court and the 7th Court of Appeals remand the Amos case. District Court holds evidentary hearings. Again finds Milwaukee Public Schools unconstitutionally segregated.
July and Oct. 1978	Evidentary Hearings discuss effects of segregation.
Feb. 8, 1979	District Court holds segregation systemwide. Upholds earlier orders holding the MPS responsible to remedy.
March 1, 1979	"Settlement Agreement" between Plaintiffs and Defendents submited for Court approval.
May 11, 1979	"Settlement Agreement" accepted by Judge Reynolds. Seventy-five percent of MPS schools to be desegregated. No schools to have less than 25 percent black students.

settlement, which, instead of requiring desegregation of all minority pupils, required only that every school in the district have at least a 25 percent black population.

Desegregation in Milwaukee was not only a highly litigious issue that divided the district from higher level courses, the school board from its school superintendent, and white neighborhood groups from integrationists. It also imposed significant social and economic costs on the city. As Table VI-7 shows, Milwaukee's public schools had already been suffering a 5.2 percent rate of decline in white enrollment; after the desegregation plan was inaugurated, the rate of decline increased to 8.4 percent annually. The various magnet schools and specialty schools may have enhanced the quality of local educational programs, but, apparently, many white parents were still fearful that their children would not receive an acceptable educational program in an integrated setting. Governmental leaders had every reason to be concerned about the consequences of this disaffection for the city's overall economic well-being.

Since Milwaukee nonetheless carried out one of the most comprehensive desegregation programs introduced by any northern city in the United States, it is worth considering the factors which contributed to this result, and especially in this context, the extent of the ESAA contribution. Some might claim that comprehensive desegregation occurred in Milwaukee because the court ordered it. Unlike Dade County, where no changes were mandated after 1970, and unlike San Diego, where the court required only a voluntary program, the district court in Milwaukee took a more activist stance and insisted on a complete plan for desegregation to be implemented within

TABLE VI-7

ANNUAL PERCENTAGE DECLINE IN WHITE ENROLLMENT IN FOUR DISTRICTS, 1970-80

	Annual Percent Decline
Milwaukee	
70-71 - 75-76	5.2
75-76 - 80-81	8.4
Difference	-3.2
San Diego	
70-71 - 76-77	2.6
76-77 - 80-81	6.9
Difference	-4.3
Dade County	
70-71 - 75-76	3.9
75-76 - 80-81	5.4
Difference	-1.5
Baltimore	
81-72 - 75-76	7.5
75-76 - 80-81	6.9
Difference	.6

SOURCES: Maryland Department of Education, Facts, 1970-71 through 1980-81; Milwaukee School System "1967-75 Ethnic Anlysis Data"; Interviews with the staff in division on Long-range Planning, Milwaukee School System, Fall, 1982; Dade County Public Schools, Statistical Highlights, 1970-71 through 1980-81; San Diego City Schools, Public Ethnic Census, 1970-71 through 1980-81.

three years of the court order. It might even be claimed that the district court judge overstepped appropriate legal bounds in issuing this order, because, subsequently, a Supreme Court review resulted in the case being remanded for rehearing, and a new settlement, with a more limited scope, was the eventual outcome.

While comprehensive desegregation in Milwaukee is inconceivable apart from a court order, attributing the entire outcome to the inclinations of a single judge is much too simplistic. District Judge John W. Reynolds himself was part and parcel of Wisconsin politics, having previously served as governor of the state. He delayed his decision for months so that the school administration, working quietly without direct involvement by its board, could design a comprehensive plan that was both educationally and politically sound. The judge also appointed a well-known political figure of Polish descent, John Gronouski, former Postmaster General, as court master. Gronouski was expected to both help the school district in developing the plan and assist the court in convincing the community that the plan was prudent and necessary. Also, the court, declaring the State of Wisconsin to be a party to the case, requested that it make resources available to help remedy a situation to which it had contributed. It is said by some informants that the judge's contacts with state legislators helped secure passage of legislation that covered the cost of the expensive busing program.

The court order was thus shaped by the political context in which it was announced. It had the benefit of a carefully conceived set of recommendations prepared by a small group of able administrators under the direction of a self-confident, highly-professional school superintendent, who was determined to make creative use of the desegregation issue rather than be overcome by it. It also had the benefit of a strong set of community organizations with a stake in school integration which the school superintendent and the court master were able to mobilize on behalf of the court order.

A Committee of One Hundred, consisting of leaders from many groups and organizations in Milwaukee, campaigned vigorously for positive, peaceful implementation of the court order. Many of them were members of the Sherman Park community organization, which represented a stable, integrated neighborhood in the city more likely to remain that way if integrated schooling were the norm instead of the exception. Together with such liberal, citywide organizations as the League of Women Voters, the Urban League, the Milwaukee Teachers and Educators Association, this group managed to keep neighborhood school organizations from dominating the political discussion.

Many white elites were persuaded to join the pro-integration campaign because they wished to avoid at all costs the Boston experience. Just as the violence in Little Rock and New Orleans had convinced the leadership of other southern cities (such as Atlanta and Montgomery) that school desegregation, if it were to occur, should be carried out with dignity, so the violence in Boston convinced Milwaukee leaders that every effort should be made to avoid a repetition of that experience in their city. The judge himself wanted to stay out of administrative matters, and, as a consequence, allowed the schools' administrative staff to contribute to drafts of the court order, delaying his decision until satisfactory arrangements could be worked out. The Committee of One Hundred was organized by the school administration to insure a stable base of lay supporters during a period of time expected to be difficult. The special master, furthermore, was selected more for his political experience than his educational expertise. All of these processes were undertaken with greater care, deliberation and foresight because experiences in another city dramatized the possible negative consequences of failure.

While these local factors crucially shaped the direction of desegregation policy, ESAA made its own contribution. Milwaukee received by far the largest package of basic and special grants of any of the four cities. Over the five-year period between 1976 and 1981, the district received over $31 million, more than twice the amount allocated to San Diego. While ESAA could not pay for busing costs--that was paid out of additional state funds—it did help finance the magnet schools and specialty programs that were such a featured part of the plan. ESAA in fact functioned in Milwaukee almost exactly as the program's strongest supporters in Washington had hoped. The program itself bore none of the blame for school desegregation--that was directed at the courts. But the court plan was carefully crafted in the full knowledge of the availability of ESAA funds and only after school administrators in Milwaukee had discussed their plans with ESAA officials in Washington. Indeed, certain items were carefully left out of the court ordered plan so that the school district could obtain ESAA help in financing them. A more skillful blending of federal, state, local and judicial resources to achieve a redistributive policy in a highly politicized context can hardly be imagined.

One might even claim that in Milwaukee ESAA marginally reduced the white flight that ordinarily occurs as schools desegregate. It is true that the two cities that desegregated in the mid-1970s--Milwaukee and San Diego--suffered a greater rate of decline in white enrollments after the plan was implemented than before. As can be seen in Table VI-7, the annual rate of percentage declined increased from 5.2 to 8.4 percent, while in San Diego the increase was from 2.6 to 6.9 percent. The two cities which did not desegregate during the decade had no such increase in the rate of white enrollment decline from the first to the second half of the decade. But if these data show that desegregation contributes to white flight, they also suggest that a comprehensive plan well-supported with ESAA funds is no more costly in political terms (and perhaps less so) than a voluntary program carried out with less imagination and enthusiasm. The rate of decline increased by 4.3 percent in San Diego as compared to only 3.2 percent in Milwaukee. However, Milwaukee is an economically declining city, has a strong parochial school tradition and is ringed by attractive suburbs. San Diego, by contrast, is still economically growing and is located in a region of the country where the private school tradition is very weak. By virtue of its ideal geographic location on a coastal strip between the ocean and the mountains, it is less pressured by the forces of suburbanization. Is it too generous to give ESAA the credit for Milwaukee's relative success for stemming the rate of white decline?

Conclusions

More than any other educational program examined in this study, ESAA's impact was a function of local conditions and circumstances. Baltimore declined to accept ESAA funds, even though it had the highest percentage of minorities in its public schools. San Diego and Miami received considerable support for quite modest desegregation programs that fell short of ESAA's own guidelines, because local courts had approved their respective desegregation plans. But for Milwaukee, ESAA supplemented state and local resources with considerable funding that enabled the city to carry out an imaginative, far-reaching program of desegregation.

Politically, ESAA's policies could hardly have been better balanced or more astute. Operating in the context of the nation's most politically charged educational policy issue, ESAA found for itself a safe, limited role that would win friends without antagonizing enemies. To southern school districts it provided aid whenever they were under a court order to desegregate. For civil rights groups ESAA administrators established higher standards of desegregation performance than did many federal court judges. School districts that did not want to meet these standards could ignore them with no more impunity than the loss of ESAA monies. (Significantly, other federal education dollars remained unaffected by non-compliance with ESAA standards). School districts willing to attempt innovative desegregation plans were able to negotiate substantial federal help. Yet ESAA monies could never be said to be the "cause" of the local desegregation; they only helped ameliorate its unfortunate side-effects. A more secure political place in the desegregation wars could scarcely be found.

Yet ESAA remains a political puzzle. If ESAA helped schools in emergencies, escaped much of the controversy desegregation has aroused, and quietly helped some districts to desegregate, why was this the only major educational program to be eliminated by Congress in the 1981 Ommibus legislation? If the program made both political and substantive sense, why did it not survive? The answers to these questions lie essentially in the coalition that originally passed ESAA. The program was never the demand of any identifiable interest group that was willing to fight for its continuance under any and all circumstances. Instead, it grew out of the political maneuverings between the leadership of the two major parties. The program helped school districts in general, but school districts in general do not form a sufficiently specialized constituency for a categorical program. Never the darling of either the categorically-minded liberals, or a definable special interest, the program was jettisoned when some accommodation to the block grant concept became politically necessary. The mere fact that ESAA succeeded politically at the local level did not guarantee that it would survive the political wars in Washington.

Footnotes

1. Stephen M. Smith, *An Assessment of Emergency School Aid Act Program Operations: The Targetting of ESAA Grants and Grant Funds* (Washington, D.C.: Applied Urbanetics, Inc., 1978), p. 2.

2. *Ibid*.

3. Gordon Foster, Chairman, Desegregation Assistance Center, University of Miami, as quoted in John Oliver et al., "Busing: The Final Chapter," *Miami Herald Tropic Magazine*, June 13, 1982, p. 25.

PART III

The Role of the Professional

Chapter VII

THE NEW PROFESSIONALS IN EDUCATION AND HEALTH CARE

As the enthusiasms of the Great Society era have subsided, the very foundations of cooperative federalism have been challenged by new generations of scholars. Cooperative federalism has lost its preeminence among conceptions of intergovernmental relations, replaced by more adverse schools of policy implementation. This new skepticism has taken two distinct forms, each finding quite different flaws in contemporary federal-local relationships.

One line of criticism emphasizes the ease with which complex administrative processes can be captured by narrow, organized interests, especially by those producer groups whose economic livelihood is substantially affected by the governmental program in question. Since producer groups have the greatest stake in the direction the policy takes, these analysts point out, they are the ones most likely to remain active and involved once a policy leaves the visible, public halls of Congress for the quiet backrooms of executive agencies, state bureaus, and city departments. As the responsibility for program development shifts inward and downward, organized producer groups continue to press their cases, supplying decision-makers with information, arguing against adverse provisions, and bargaining over administrative details. These critics of group processes, whether they be muckraking journalists, market-oriented conservatives, or neo-Marxian radicals, agree that the beneficiaries of federal efforts are often those that produce or deliver the services.[1]

The other criticism sees the problem as one of excessive regulation. It condemns federal programs for having developed too strong a bureaucratic structure rather than one too weak to resist influence by external pressure groups. New federal programs, precisely because they are designed to counter producer group influence, burden state and local governments with regulations, guidelines, and requirements that preclude local agencies from developing coherent, sustainable programs and/or give consumers incentives to utilize public services unnecessarily. By the time laws are turned into regulations and local programs are initiated, the federal government may have undertaken more than it can handle. Confusion, conflict, failure, and, at times, total collapse are the unforeseen results. "No wonder the program failed to achieve its aims" becomes the refrain in many such studies.[2] In such a view, Jefferson's prophecy has been realized with a vengeance: central officials will "be unable to administer and overlook all the details necessary for the good of the citizenry, and the same circumstances, by rendering detection impossible to their constituents, will invite the public agents to corruption, plunder, and waste."[3]

Although both capture and regulator interpretations criticize federal grant-in-aid programs, their analyses tend to contradict rather than complement one another. The capture critics lament federal timidity in the face of organized pressure. The regulators condemn organizational aggrandizement under the guise of rules ostensibly designed to protect programs from special interests. Conceivably, both perspectives could be correct, especially if producer groups master the art of rule interpretation and modification, turning federal requirements to their particular advantage. But inasmuch as many producer groups are the most vociferous opponents of regulation, their influence is more likely to be inversely than positively associated with regulatory excesses.

The prevalence of two seemingly contradictory criticisms of federal grant-in-aid programs suggests that the government has in fact attempted to follow a moderate, pragmatically-defined path located somewhere between the two extremes. It is not unreasonable to assume that federal bureaus wish to sustain their programs over the long run, and that in order for them to achieve this, they must be able to at least claim that their programs are designed to serve the public interest. If slavish subservience to special interests were unabashedly condoned by federal administrators, their enterprise would become vulnerable to investigative onslaughts by the General Accounting Office, crusading Congressmen, Washington Post reporters, or Nader's Raiders. Bureaucratic procedures that require similar treatment for all clients insulate a program from the blandishments of special interests. Yet if carried to an extreme, these rules can become self-defeating, so protective of an agency's autonomy that it precludes it from doing anything. If an agency leans too much in one direction, it invites critical comment from capture theorists. If it leans in the other direction, those charging excessive regulation fault the agency for becoming entangled in its own red tape. The struggle for organizational survival, therefore, is a search for a moderate path between the Rock of Scylla formed by organized interests and the Charybdian whirlpool induced by excessive proceduralism.

We have already seen in preceding chapters how both developmental and redistributive programs in education avoided some of the most disturbing difficulties anticipated by the capture and regulator theorists. In this chapter we shall show that education programs have a number of features they share in common with health policies that contribute to a more cooperative and functional set of intergovernmental relations. More specifically we shall show how two new federal programs--special education and health maintenance organizations--addressed producer group pressures and their own red tape. We shall see that in time federal policy-makers for both programs found ways to build cooperative relationships with their counterparts at the local level. Establishment of such relations was founded on the reality that each participant in the enterprise needed the other. The feds had crucial legal and fiscal resources; the locals had the operational capacity without which nothing could be achieved. Cooperative relations were also facilitated by the fact that these programs belonged to broader social movements that had both national and local adherents. New professional identities formed in conjunction with these programs had a major stake in making the enterprise work. Significantly, even though the new professionals were crucial to programmatic success, it cannot be said that the service producer captured the policy arena at the expense of the consumer.

The New Federalism: Two Cases in Point

We discovered this process of mutual accommodation and professional development in the most unlikely of places. The Health Maintenance Organization Act of 1973 and the Education for All

Handicapped Cahildren Act of 1975 established programs ripe with characteristics that would make them prime candidates for capture or regulator criticism. Both 1) mounted ambitious undertakings that were inadequately financed; 2) sought to reform local service-delivery systems; 3) redistributed, at least to some extent, resources from well off to special needs populations; 4) imposed numerous regulations; 5) depended heavily on the support and cooperation of professionals ably represented by well-organized groups; and 6) served as examples of federal ineptitude for critics of the new federal role.

Ambitious Undertakings Inadequately Financed

Advocates of health maintenance organizations (HMOs) promised nothing less than equal access to health services at reduced cost. This magic was to be performed by giving professionals and consumers incentives to practice preventive health care, minimize hospitalization, and adopt such cost-saving policies as the use of second professional opinions prior to surgery. Medical costs had skyrocketed, it was said, because medical insurance programs (in both public and private sectors) discouraged consumers from seeking professional help until their health problems became severe; penalized doctors who encouraged clients to follow healthier living patterns; fostered excess use of the hospital, the most expensive of medical institutions, as a primary care center; and placed few, if any, limitations on the type and extent of medical services utilized. HMOs were expected to reverse the incentive system, enabling professionals to prosper when clients were healthy, not sick, and when clients used fewer, not more services. HMO members, having pre-paid for most conceivable medical services, would no longer be deterred from seeking out professional help as soon as they noticed an ailment.

As grandiose as these objectives were, the federal government made only modest commitments toward their realization. As can be seen in Table VII-1, HMO appropriations were hardly more than eighteen million dollars in 1976; they reached a "high" of nearly fifty-five million dollars in 1980 and receded substantially to less than one-half its maximum size under the Reagan Administration. The cost of the activity was less than one half of one percent of the federal health care budget (see Table VII-2).

The Education for All Handicapped Children Act, had hardly less profound goals. The law was passed shortly after two court decisions had found the state responsible for providing equal educational opportunity for all children, regardless of handicap. It sought both to help states and localities with the fiscal burdens these court decisions entailed and to specify the manner by which equal opportunity for the handicapped could best be provided. To achieve the latter objective, the Act required, among other things, that school districts establish elaborate procedures that would enable them to identify all handicapped children; prepare, in consultation with parents and, where appropriate, the handicapped student him or herself, an individual educational plan (IEP) specifically designed for that student; incorporate or "mainstream" the handicapped student in as many of the regular school activities as feasible; and establish regular procedures through which parents could challenge any decisions the school district made. Recognizing the new costs this elaborate program entailed, and to achieve the fiscal objective that made the act acceptable to school officials, the law authorized expenditures sufficient to cover 40 percent of the excess cost of educating a handicapped child. But even though allocations for special education climbed steadily in the aftermath of the legislation--Table VII-1 shows them jumping from less than two hundred million dollars in 1976 to over one billion dollars in 1982--these amounts were but 9 to 15 percent of the cost of educating the handicapped and fell far short of the authorized expenditure levels. As a result, local school districts remained fiscally exposed.

Reforming Local Practice

HMOs. Since HMOs were expected both to cut costs and to equalize access, the reforms specified in this law had two not altogether complementary objectives. On the one side, HMOs were expected to be efficient, successful, competitive, service-delivery systems that attracted both doctors and patients by the quality of their administrative design. Only to the extent this goal was realized would pre-paid group medicine gain the competitive edge over the traditional fee-for-service, self-employed practitioner. Elliott Richardson, Nixon's Secretary of the Department of Health, Education, and Welfare (HEW) threw his weight behind HMOs because he became convinced that the efficiencies realized would curb the rising costs of health care that even in the early seventies had become a significant factor in the federal budget. He was persuaded by the evidence provided by such HMO supporters as Paul Ellwood, Director of InterStudy, a Minneapolis-based research center, and analysts associated with the Kaiser Health Foundation, the largest provider of pre-paid group medicine and, at the

Table VII-1. Total Federal Obligations: Education for All Handicapped Children Act and Health Maintenance Organization Act

	Fiscal year (millions of dollars)				
	1976	1978	1980	1982	1984 (est.)
Education for All Handicapped Children Act	186.8	459.1	982.8	1,069.7	1,110.3
Health Maintenance Organization Act	18.2	17.0	54.9	27.3	27.3

SOURCE: Office of Management and Budget, *Appendix to the Budget of the United States Government*, Fiscal Years 1978, 80, 82, and 84, (Washington, D.C.: U.S. Government Printing Office).

Table VII-2. Federal Obligations for Special Education and HMOs as a Percentage of Federal Obligations in the Areas of Elementary and Secondary Education and Health Care

	Fiscal year				
	1976	1978	1980	1982	1984 (est.)
Percent of all federal education commitments obligated to special education	3.0%	6.0%	10.3%	16.7%	18.5%
Percent of all health care commitments obligated to HMOs	.05%	.04%	.09%	.04%	.03%

SOURCE: Same as Table VII-1.

time, responsible for 40 percent of all such services supplied throughout the country. These enthusiasts asserted that in the few HMO programs already in existence hospitalization was less than in medical practice more generally.[4] If federal funds were available to cover an HMO's initial capital and operating costs, more such institutions would be established and, with expanded use of the HMO approach, medical practice could be transformed within a decade. According to one well-publicized HEW estimate, one could anticipate 1,700 HMOs serving forty million Americans by 1976 and, by 1980, coverage was expected to extend to 90 percent of the population.5

To increase consumer access to HMOs, employers (who offered health benefits to twenty-five or more workers) were asked to provide those workers with the option of enrolling in any conveniently located HMO that the federal government had designated as qualified. This option gave HMOs an opportunity to compete with traditional insurance plans. With a mechanism in place that facilitated shifts in consumer loyalties, advocates of HMOs were breathless with anticipation: "the nation is at the beginning of a major new thrust in health policy--the era of the HMO."[6]

Even though HMOs gave temporary coherence to the Nixon Administration's health policy, they were not merely a cost-cutting strategy of budget-minded conservatives.[7] HMO advocates were just as successful in persuading Edward Kennedy and other liberal Democrats that this institution could be organized in such a way as to give equal medical services to rich and poor alike. Four provisions of the law--mandated services, community rating, open enrollment, and consumer participation--were expected by liberals in Congress to be the basis for access to medical care. Unfortunately, each of these four provisions enhancing equal access adversely affected the competitive positions HMOs were expected to acquire.

Organizations seeking approval as federally qualified HMOs were expected to provide a mixture of benefits that was, in many respects, far more diverse than those provided under traditional insurance plans. These mandated services placed a particular burden on HMOs struggling to survive, since they were expected to cost less than traditional types of care at the same time that they were required to provide an unusually wide range of benefits. Under the original legislation, these benefits included emergency medical care, preventive dental services for children, and care during mental health crises. Moreover, HMOs were expected to provide medical treatment and referral services for drug and alcohol abuse or addiction.

HMOs seeking qualification were also asked to abide by "community rating" standards that precluded the pegging of rates and fees on the basis of a particular person's health record. Instead, community rating meant that rates "must be equivalent for all individuals and for all families of similar composition."[8] There were several qualifications to this restriction, all of which afforded some latitude in rate setting. Nonetheless, federally-qualified HMOs were restricted much more severely than their traditional health care counterparts. Consequently, as Lawrence Brown and others have noted, HMOs that agreed to community rates became vulnerable to "adverse selection," whereby an HMO "would be attractive mainly to sicker people."[9]

The possibility of enrolling a disproportionately high number of individuals with severe health care needs was also raised by the open enrollment provision. HMOs had to establish a period of at least thirty days per year in which they would accept "up to its capacity, individuals in the order in which they apply for enrollment."[10] Rather than screen applicants and attempt to attract large pools of employees, a staple of traditional health care plans for decades, these HMOs would, in essence, have to accept all comers. Open enrollment threatened to bloat HMOs with high-risk members that, in tandem with the community rating requirement, could have made membership rates expensive and unattractive.

Much like other federal health program of the 1970s, the Act mandated consumer representation in federally-qualified HMOs. Under the Act, one-third of the HMO board was to consist of health care "consumers," rather than "producers" such as physicians and administrators. Moreover, the Act established arbitration and grievance procedures for individual HMO members who were unsatisfied with the services that their organization had provided.

Reform in special education was more single-minded. Groups representing the handicapped had pressed their case within a friendly Congress and were able to see enacted into law a program promising major benefits for this especially needy population. In the words of Laurence Lynn, "the seeds of dissatisfaction fell on the fertile soil of change created by the civil rights movement and its subsidiary causes--equal educational opportunity, children's rights, right to treatment, citizen participation, consumers' rights, and the like--and by the antiestablishment, antiprofessional tempest of the times."[11] To be sure, "securing long-term economic advantages as a result of educating the handicapped was sometimes cited as a justification for the law,"[12] and economic analyses attempted to defend additional expenditures in cost-benefit terms. But the humanitarian and civil rights arguments were in this case the more compelling ones. As Representative Robert Cornell observed, "I think we also ought to stress the fact that this education is necessary just to give them a greater enjoyment, and appreciation of living . . . . Some of these people are never going to be able to be self-supporting or to obtain gainful employment."13

Even the promise of new federal funds to local school districts could not obscure the fact that the law would require extensive changes in local practice in return for such help. Established school organizations such as the school boards association, the association of state departments of education, the National Education Association, and the American Federation of Teachers had not campaigned aggressively on behalf of what would become the second largest federal program in education. Instead, they quietly accepted its enactment, apparently in the belief that court decisions would soon require major new steps on behalf of the handicapped in any case, and it was better to have federal dollars to help finance the reforms than to carry the full financial burden locally. Consequently, the thrust of special education policy was less ambiguous and uncertain than was HMO policy. On the contrary, "for the first time the federal government defined educational style for states and localities."[14]

Although most reforms were procedural, they had substantive implications. Five years after school districts were asked to institutionalize comprehensive measures that would identify all handicapped children, the the school age population found to be handicapped increased from 4 percent in 1973 to 7.8 percent in 1976 to 8.1 percent in 1980.[15] When Congress said that an individualized educational program (IEP) had to be prepared for each child, it established a mechanism that brought together parents and school officials who were expected to define the educational needs of the child without regard for the cost to the district. Decisions made at this or any other point in the planning process could be appealed by parents in a due process hearing before an "impartial third party." Even though the range and quality of services could not be improved immediately upon the establishment of these procedures, local districts came under new pressures to expand their capacities.

Programs of Redistribution.

These reforms were expected to enhance the welfare of less privileged groups in the population. Although HMOs were originally regarded by the Nixon Administration as a fiscally prudent innovation, Congressional commitments to equal access meant that HMOs, in practice, were expected to serve a broader, needier, sicker population than those served by conventional insurance carriers. Education for the handicapped seemed to have an even more redistributive impact. While some handicapped children come from middle class families, and these families were more likely to pressure schools for services under the IEP and due process regulations, it is still the case that the incidence of handicap increases as one moves down the social ladder.[16] The moderately to severely handicapped child, moreover, is a potential social dependent no matter what the social standing of his or her family. Concentration of expensive social and educational services on a person who is likely to remain a marginal member of the community may come at the expense of investments in young people with more productive potential. Such an allocation of resources is difficult to justify as efficient but it is arguably the only humane response to those with special needs. In short, special education redistributed resources from better off to more dependent members of the community.

Regulation, regulation

HMOs that participated in the federal program could not take into account particular characteristics of clients in establishing rates; they had to provide periods of open enrollment, and they had to offer a comparatively broad range of services. School districts that accepted federal assistance had to establish comprehensive procedures for identifying handicapped children, develop specific education plans for each individual child, provide appropriate related services, and institute a process by which parents could appeal any decision that school officials made.

These were overall restrictions imposed by federal policies. Regulations that attempted to implement them were both more detailed and potentially more onerous. For example, each HMO had to be certified as "qualified" in order to be eligible for federal funding (and for access to consumers through employer insurance programs). HMOs that sought qualification were expected to provide any information deemed necessary by federal investigators. This could include the financial health of the organization, its managerial structure, the kinds of services it offered and their availability to enrollees. The process of seeking federal qualification was complicated by repeated delays in the issuance of relevant regulations and guidelines and the inexperience of federal evaluators in determining what was and was not relevant to securing a federal seal of approval. Different types of regulations were imposed upon recipients of federal special education funding, but they were similarly extensive and demanding.

Producer Group Influence

Producer group influence was potentially massive in both programs. To be successful, HMOs needed the cooperation of doctors, nurses, hospital administrators, radiologists, and specialists of all kinds and varieties. Special education programs required the cooperation of school administrators, school teachers, special education teachers, psychologists, psychiatrists, other medical doctors, and directors of private special education facilities. If professional groups capture federal programs, they were certainly in a position to devour these two.

In sum, the innovations in health and education policy were as complex and challenging as any undertaken by the federal government. They were ambitious, reform-minded, aimed at needy populations, inadequately funded, subject to detailed regulation, and vulnerable to the criticism that they tried to do too much with too few resources. The cases we selected for research were thus not likely examples of "cooperative federalism" at its best. Finding increasingly well-organized administrative structures even in two such improbable places has led us to the conclusion that cooperative intergovernmental relations are as general and widespread in the new federalism as they were in the pre-Great Society era. Yet, as we shall see, these cooperative relations did not develop immediately.

Early Efforts to Implement Programs of the New Federalism

Initially, these innovative, reform-minded, redistributive, highly regulated grant-in-aid programs had a number of the problems that theorists might have anticipated. Congressional legislation was ambiguous and disputes arose over its interpretation. Administrative structures were under-developed, causing unreasonable delays. Funding of policies fell far short of what was necessary to fulfill the stated goals of the legislation. The turmoil of the initial period is worth elaborating in some detail, if only to emphasize the distance the programs traveled during the ensuing decade.

Conflict and Confusion over HMOs

The disorderly qualities of the new federalism were amply displayed in the early years of the HMO program. The Nixon Administration lost interest in this program almost as soon as the law establishing it had been enacted. After having used executive branch authority on behalf of HMOs in 1971 and 1972, first by shifting several million dollars to HMOs from existing programs (such as the Experimental Health Services Delivery Systems) and then by promoting the use of HMOs by Medicare and Medicaid enrollees, the Administration shifted its position dramatically in 1973 once Congress vested the program with legislative authority. When Richardson, whose initial enthusiasm and commitment gave so much impetus to the program, was replaced in 1973 by Caspar Weinberger, the program fell in relation to other HEW and White House priorities.

Without stimulus from the top, HEW officials were slow to distribute grants and interpret the HMO Act so as to establish a workable framework for the program. The department "managed to spend only 55 percent" of funds available for fiscal 1974 and "allowed large portions of appropriations to revert, unspent, to the treasury."[17] Regulations and guidelines were repeatedly delayed, even into the Carter Administration;[18] candidates for status as qualified HMOs were left in confusion on numerous matters and assessments of their applications were subject to prolonged delays. Congress, of course, had assured this difficulty of administration by constructing a highly complicated law that did not lend itself to definitive interpretation by standardized rules and guidelines. The more HEW construed the law, the more apparent it became that "virtually every term used in the law was in some way ambiguous." The community rating requirement, for example, demanded "equivalent charges for families of similar composition." But exactly what was a "family"? What was its "composition"?[19] In addition, HEW simply "did not have the number and type of personnel needed to implement the HMO grant program."[20]

These types of difficulties were compounded further by the reluctance of many potential HMOs to participate in the program. Many of the stronger possible candidates considered the regulatory burdens as likely to outweigh any conceivable benefits and refrained from applying for federal qualification. Affiliates of the Kaiser Foundation, for example, were critical of the program and elected to avoid participation, at least until amendments could be passed that would make it more attractive. During the first two or three years, applicants for federal funding thus tended to be experimental ventures that had but a minimum of experience in prepaid group practice.

HEW officials were charged, therefore, with responsibility for administration of an unusually complex piece of legislation that had been inappropriately depicted as a panacea for health care. In addition, they faced the vexing choice of accepting applications from marginally acceptable HMOs or returning unused funding due to lack of highly-qualified applicants. What had initially been touted as the salvation of an inefficient health care system quickly deteriorated into an exceedingly complex program that suggested little promise of significant impact. Program critics increasingly referred to it as the "Anti-HMO Act," claiming that the law interfered with an idea whose time had come--prepaid group medical practice. Brown has accurately summarized the opinion of the early HMO commentators:

> The law, they argued, was a political miscarriage. . . . The result was said to be an excessively detailed set of requirements that . . . made a mockery of a fair market test by depriving the plans of the flexibility they needed to make their way in local markets. This view was widely shared within the HMO industry and among academic analysts of the program.[21]

Field research in the four cities confirmed reports that program complexity and regulatory excess prevented the program from attaining the high expectations initially set for it. This was particularly evident in the first several years of the program, prior to changes brought about by the 1976 amendments. It was not until the late 1970s, several years after passage, that each community had attracted a significant number of applicants for federal funding and qualification. Furthermore, it was not until the late seventies that HMOs had garnered sufficient recognition to be seen as a viable alternative to existing health care service delivery.

Individuals experienced in obtaining federal qualification and funding described the process as "arduous," one that was "probably more demanding than it should be" and that required allocation of "thousands of man-hours and dollars" by the individual HMO. Most administrators of HMOs did not object so much to the idea of federal oversight as to the way in which it was carried out, particularly in the earlier stages of the program. "There is too much room for interpretation by the individuals who happen to be assigned to your organization," explained one executive director with experience in several successful qualifying efforts for various HMOs. "Many of the provisions are very vague; issues such as ratios [of care providers to service recipients], minimal capital [required for operation], and responsibility to the medically underserved tend to be loosely-defined and have to be negotiated."

These problems, in turn, were compounded by the absence of federal personnel experienced in regulation of group medical practice. "Their level of expertise was pretty spotty and you had to be prepared for different sets of groups who would visit," recalled a financial officer of a federally-qualified HMO. "One month we were told we were understaffed; the next month, having made no changes, we were told we were overstaffed. In a lot of ways it felt like an arbitrary process even though many of the things we had to do for the feds--basically setting up a business plan--had to be done anyway."

The subjective, seemingly arbitrary, nature of federal determination of qualification was most intensely felt by those organizations with the least prior experience and smallest base of existing services and capital. "The big problem in many cases has been the number of services that had to be provided for federal qualification," noted one administrator. "For those organizations that didn't offer--or intend to offer--such services, having to add them has been a big problem." Not only would HMOs be expected to find funding for various services, but new organizations repeatedly encountered difficulty attracting qualified professionals to provide them. "It was very hard in the beginning to recruit staff; we had no credibility and no reputation," explained an HMO administrator. "The feds didn't seem to understand that difficulty."

Conflict and Confusion in Special Education

Adherence to federal standards initially proved as vexing to many local school districts as it did to health maintenance organizations that sought federal qualification. Just as there was no automatic resolution of issues such as community rating and open enrollment, so IEPs and mainstreaming proved unfamiliar and often controversial. Most public school systems had offered special education programs in the past, but these varied enormously in quality and breadth of services. The Education for All Handicapped Children Act, with all its regulatory stipulations, required major modification of traditional local practices. To many, these liabilities seemed to outweigh any advantages that went with participation.

One problem was the amount of time that recipients of federal funding had to devote to convincing the federal government that its funds were being used for purposes consistent with the intent of the program. Each of the school districts used a significant portion of their federal grant for administrative costs. Despite this acquisition of additional staff, service "rationing" and arbitrary "labelling" of students still occurred, largely because districts could not expand their programs rapidly enough to meet the needs that compliance with federal requirements were uncovering.

Developing specific educational plans for each handicapped person also proved to be beyond the initial capacity of local school districts. Baltimore's first IEP form, for example, was hurriedly drafted and convoluted. It prompted "IEP parties" at which teachers would gather informally over coffee on weekends and "pass the forms around and fill them out without regard to the individual students involved," according to one administrator. "In the first year, the various procedures [for IEPs] were haphazardly done," noted a Miami special educator. Attempts to abide by the requirement that pupils be placed in the least restrictive environment feasible also proved difficult to implement. The concept of mainstreaming was stated in fairly general terms in the legislation and, as a result, no direct guidelines for determination of placement were established by the Office of Education. Efforts by special educators to implement the provision encountered resistance from principals and classroom teachers unused to resolving the special problems posed by the presence of the handicapped.

In part, program administration was complex simply because three levels of government were involved. "Sometimes I want to say, 'just trust me'" to federal administrators, said one Milwaukee special educator. She explained that both federal and state administrators consumed a substantial amount of her time, which might be better spent in other activities. Anticipation of federal compliance visits encouraged many special educators in each of the districts to keep paperwork in proper order, so as to satisfy auditors rather than serve their constituents. "They usually swoop down and get us on something," confirmed one special education administrator in Miami. This led to substantial preparatory efforts to eliminate potential areas of contention.

These problems were compounded by the fact that while all regulatory provisions of the law were in effect, subsequent appropriations failed to provide the generous levels of funding authorized in the initial legislation. Almost as great a problem was the uncertainty of federal funds. Special education divisions in all three districts had little advance notice of the amount of funding they could expect to receive in the following academic year. Rather than a reliable entitlement program, as first envisioned, aid to the handicapped operated as an often unpredictable grant-in-aid program. "There is a consistent problem of not knowing how much" funding will be available from year to year, explained a Milwaukee special education administrator. In 1979, for example, she did not know whether funding would be available for programs that she was responsible for until after the school year had started, despite the fact that it had been more than 80 percent reliant on federal dollars in the past. The following year funding information was once again delayed until the month before the opening of the school year. Interviewed in the summer of 1982, this administrator had "no idea" as to how much funding might be available for the 1982-83 year. There is a "rumor that local dollars would pick up [the program in the absence of federal funding] this year . . . [but] now, we don't know where we are." Although this example of funding unpredictability was particularly extreme, such concerns were common in each of the three school districts.

In sum, both the HMO and special education programs passed by the federal government in the mid-1970s were vulnerable to criticism. Both programs attempted complicated structural reform of existing service institutions, despite their relative lack of experience and expertise in such areas. Both offered relatively modest amounts of federal funding in return for compliance with federal policy objectives. In many respects, the initial development of both programs confirmed many of the suspicions of those students of implementation who looked upon domestic policy experiments with disdain.

A Longer Range View of Federal Programs

As convincing as this picture of confusion and complexity may be, problems of implementation are generally most evident in the early stages of the administration of a program. Analysts that limit themselves to these moments must be wary of the bias in the sample they are investigating. To be sure, the birth pangs of an organization are well worth careful examination--one can discern at this point the parentage, the cries of the newborn, the steps first taken that may later prove to be decisive, and the possibility of life-threatening crises. Yet one must not conclude from examination of early childhood experiences that no significant changes will occur in the processes of maturation. Analysts who emphasize regulating excesses often assume that conflict and confusion are endemic rather than transitory. Looking at HMOs and educational programs for the handicapped nearly a decade after their formation has convinced us that earlier studies drew premature conclusions.

Both the HMO and special education programs operated differently five to ten years after their establishment than at their outset. One of the important factors (if it can be treated as such) contributing to this change is the passage of time itself. In any new enterprise, whether public or private, uncertainty, confusion, and miscommunication are most likely to occur at the beginning. Potential HMOs and local school districts were initially uncertain about federal intentions; laws and regulations were open to a variety of interpretations, and cues as to their meaning were inevitably fragmentary, ambiguous, and contradictory until the federal offices themselves came to understand what was both desirable and feasible. Over the course of several years, continuous contact and mutual experience with the issues on the part of federal officials, on the one side, and HMO heads and local special educators, on the other, gradually facilitated compromise and mutual recognition of the other's needs and concerns.

Aside from the mere passage of time--or perhaps, more precisely, operating to effect program adaptation as time passed--two factors helped reduce conflict and integrate federal policy into an ongoing system of service-delivery. First, power was shared between the federal government and local groups and institutions. Neither side could achieve its objectives without the help of the other. A move toward mutual accommodation and sharing of responsibility could, under the circumstances, hardly be escaped. As Lawrence Brown has observed, programs such as the HMO Act "bring important groups into negotiation with one another."[22]

Secondly, a sense of professional identification with the program, present even at the beginning, unified participants in the policy subsystem. Whatever their institutional differences, they were all members of a change-oriented enterprise that many believed would be of public benefit (and, in the case of some HMOs, of private profit). HMOs were, after all, expected to make health care more efficient, more equally provided, and more accessible before diseases reached an advanced stage. By stating as its goal equal education for the handicapped, special educators were addressing a social concern more honestly and forthrightly than ever had been done in the past. It was assuredly difficult to argue that education for the handicapped would somehow have taken care of itself, or that the role of HMOs in the health care delivery system should have been based on whether they survived or collapsed on their own in what was far from an unfettered marketplace. To achieve these goals meant that differences of interest and opinion had to be placed within an overall cooperative framework. Few, if any, wanted the program to fail. Almost everyone would gain if the programs were regarded as successful. Indeed, the conflicts were more often between program participants and questioning or hostile forces on the outside than among the members of the policy subsystems themselves.

The combined effect of these two factors was to stabilize major innovations in the health and educational delivery systems of the country. By 1980 HMOs had become an increasingly accepted alternative to traditional delivery of health care services; if they failed to attain original projections for growth, they continued to be one of the more promising developments in the health care field. At the same time, special education divisions across the nation used federal support both to attain greater standing at the local and state level and to initiate new and expanded services. Five years after the inception of both programs, there was little evidence of any intergovernmental conflict that might threaten the existence of the burgeoning organizations. "After a time, the HMO program began to take off," confirmed Paul Starr, reversing his earlier, dire projections of the likely federal impact.[23] Starr's assessment was confirmed by numerous individuals with experience in the federal qualification process for HMOs.

The Consolidation of HMO Policy

Power-sharing. Many of those active in the HMO movement had not been happy with the original 1973 legislation. Dismayed at the more demanding regulatory provisions, the Group Health Association of America, the American Association of Foundations for Medical Care, and the American Rehabilitative Foundation discouraged their members from participating in the program as originally designed, and they brought considerable pressure to bear upon Congress during 1976 reauthorization hearings. As a result of their well-orchestrated drive, Congress modified some of the more controversial provisions imposed by the 1973 Act. Under these amendments, federally-qualifying HMOs were granted a five-year waiver before they had to begin open enrollment, and the minimum amount of membership to be generated through open enrollment was pared to three percent. A grace period was also created before premiums had to be set at a standard community rate that ignored the health history of individuals.[24] Moreover, the amendments also removed certain services, including children's preventive dental medicine, from the benefit package HMOs were required to offer.[25]

At the same time that Congress lightened the burden of its regulations, it also made participation in the program more lucrative. Ceilings for grant awards were increased and the period during which HMOs were eligible for loans was extended. In addition, Congress in 1978 authorized loans for construction purposes, a benefit of particular interest to HMOs, given the difficulties many had encountered in gaining access to hospital facilities. Additional amendments made employers "arrange for HMO payroll deductions" and granted HMOs authority "to seek payment from workmen's compensation and other insurance programs for enrolled members who had double coverage."[26]

These amendments found a more realistic balance between the regulatory requirements imposed upon HMOs and the support and enticements offered to them. After the passage of the amendments, the program began to be perceived as more attractive and workable; this shift in perception is reflected by the fact that the number of applicants nationwide, as well as in each of the three urban areas studied, jumped dramatically after 1976. Even as vociferous a critic of initial HMO Act performance as Joseph Falkson conceded that federal capacity to administer the program grew in the latter 1970s. Falkson observed that, although the program continued to apply "complex rules that must be followed," these rules were "reasonably uncomplicated and unambiguous when compared to other federal health programs." He concluded that the 1976 amendments "brought the federal law substantially back to a position of flexibility and responsiveness to market reality."27

The HMOs were able to amend federal policy not because the groups and organizations carried much clout--next to the American Medical Association (AMA) they seemed but gnats among giants--but because the government could not pursue its objectives in health care without them. Many HMOs were untested institutions with no guarantee of success. Whereas hospitals could establish rates for services on the basis of their ongoing costs, no such flexible pricing system was open to HMOs. They not only had to estimate the costs of their services in advance of providing them, but they also had to develop reasonable estimates of utilization rates as well.

The problematic market situation HMOs confronted helps explain the hostile reaction many HMOs had to the initial program. It also suggests why they were able to modify many of the provisions they regarded as most egregious. The increasingly symbiotic relationship between federal administrators and HMO operators was evident in Baltimore, Dade County, and Milwaukee alike. Nearly all of the HMOs in these three locales that sought federal qualification had in fact obtained it. None of those qualifying felt that federal guidelines had seriously interfered with the success of their operations. Instead, respondents reported that qualifying for approved status and demonstrating conformity with regulations had become increasingly routinized, as both sides gained expertise at distinguishing the important from the trivial. One HMO administrator who served four organizations that sought federal qualification between 1976 and 1983 said that the process "has been getting better" and was "much less of a problem" than in the initial years of the program. "Given the original act, qualification was almost impossible," recalled a consultant to HMOs in Milwaukee and other Midwestern cities. "But many of the charges of adverse federal influence are opinion, not provable," he went on. "All we can say with any assurance is that the highly-visible interest of the feds really boosted HMOs."

The independence HMOs retained despite the overarching federal framework is evident in the enormous diversity of organizations that qualified for federal assistance. They ranged from full-fledged group practices concentrated in a single facility to loose confederations of medical professionals scattered across an urban area (more commonly known as Independent Practice Associations). In Miami, for example, federally-qualified HMOs included both clinics based on a Cuban model of group practice which merged to offer federally-required services as well as a large medical center that offered virtually every service imaginable. Enrollment in these organizations ranged from a few thousand to well over 50,000. Representatives of one of these organizations characterized federal certification as "absolutely necessary" in order to gain access to large pools of employees who had selected traditional health benefit programs. "It was a given for our organization that we needed federal qualification," explained one administrator of an HMO that is now thriving and serving over 30,000 members. "We needed federal support to get off the ground." Rather than knit into uniformity or brought to their knees by excess federal regulation, these organizations proved capable of generating sufficient political power to resist federal influence they regarded as most damaging to their organizational well-being.

Developing a new profession. While the federal government found that they could not promote group medicine without the help of HMOs, the HMOs increasingly found federal regulation a blessing rather than a curse. Admittedly, some HMOs continued to resent the federal presence, especially if they needed no fiscal support but only wanted the qualified status necessary to give them access to company benefit programs. But inasmuch as HMOs continued to apply in large numbers for federal qualification and assistance, and since, in the opinion of the Comptroller General, they generally "provided health services in the manner required by the act,"[28] the federal burden could hardly have been excessive.

The advantages to a strong federal role were several. It was not simply the fact that federal qualification gave an HMO access to employees through their company's benefit programs. It was not just that the federal qualifying process helped HMOs define for themselves their goals and strategies, though one analyst has noted that some executives openly "appreciated the rigorous, multidisciplinary evaluation and explained in interviews that the planning discipline, goal clarification, and objective information they gained in the application process serve them well."[29] Even more, federal endorsement gave this fledgling institution a new respectability in what was still a hostile medical world. The better quality HMOs especially welcomed "the weeding process" of federal qualification, since it "insured that marginal and fly-by-night operations would not receive the federal stamp of approval."[30] This federal contribution was particularly noticeable in Dade County where the overall image of HMOs had been badly tainted by misleading advertising practices and unreliable service provision on the part of some.

Federal policy had, in fact, so changed by 1980, that instead of being charged as overly strict, the claim was now being made that it had become too lenient. "It must not be all that hard to qualify since so many have been successful in gaining qualification," noted one observer of group medical practice in Dade County. Most individuals interviewed characterized federal oversight as time-consuming and often of questionable utility, but agreed that the process constituted little if any threat to the individual HMO. As a general rule, the more experienced an HMO was prior to seeking qualification, and the more diverse the set of benefits that it offered, the less difficulty it had in the process of becoming qualified. And once qualification was granted, "there was very little follow-up." In this regard, several respondents questioned whether federal oversight was too lax, rather than too stringent. At least one HMO deemed federally-qualified was thought to be on the very margins of medical respectability, yet seemingly faced no threat of reprimand or loss of qualification.

Benefits attributed to the federal presence reflect a maturation of federal oversight capacity, ever problematic but hardly a case of ongoing administrative incapacity at the federal level. They also suggest a general transformation of the philosophy undergirding the federal program. As regulatory provisions were modified (although not abandoned), funding categories diversified, and technical and managerial assistance actively promoted, the problems of administering the program eased considerably. This was particularly true after 1976, when the Carter Administration increased resources available for program administration, concentrated authority for program oversight in a single office, and hired an HMO "czar" (Howard Veit, former executive of the Harvard Community Health Plan). Prominent HEW officials such as Secretary Joseph Califano and Under Secretary Hale Champion became more active and enthusiastic supporters than even Elliott Richardson had been. Although none of these developments eliminated all difficulties, each contributed to their minimization.

Moreover, by 1979, HEW launched a new strategy designed to assist HMOs in communities where either health care cost inflation was unusually high (and therefore might benefit most from the countervailing power of HMOs) or the demand for services was growing. Falkson explained that this approach "represented a departure from the more restrained approach of past Administrations, which waited for applicants to come forward from communities without actively stimulating developmental efforts in specific locations."[31] This strategy was only beginning to be pursued when Reagan Administration efforts to dismantle the program were initiated. Nonetheless, it reflected continuing federal government efforts in the 1970s to channel the program in more effective directions, despite the continued limitations on funding.

Restrictions on professional power. The symbiotic relationship between federal administrators and HMO operatives might lead some to suspect that interest groups had once again captured a federal program. Did not Congress rewrite its law so as to accommodate the interests of the practitioners of group medicine? Had not the administration of these laws become so loose that even marginal members of the group medicine community could gain federal qualification? What had happened to the numerous provisions expected to guarantee all consumers equal access?

While one cannot dismiss these questions out of hand, one must also distinguish between the power of organized groups and inherent constraints on what HMOs could reasonably achieve. The purveyors of group medicine were hardly the most influential participants in the health policy arena. What is striking about the HMO experiment is that traditional interests of great strength and potency—the AMA, the hospitals, and the insurance carriers--played so marginal a role in the administration of HMO policy. The reformers and innovators, whether inside or outside of government, were left largely to themselves, even though this would mean that HMOs were to make steady gains throughout the course of the decade.

Moreover, HMOs themselves were consumer-oriented institutions. Quite apart from the federal rule that consumers be represented on HMO boards, the organizations depended for their survival and growth on self-conscious decisions by consumers to choose a pre-paid medical plan. These choices were "periodic individual decisions," not "majority action" by groups,[32] which health insurance carriers had traditionally relied upon as the way to gain their share of the health insurance market.

Enrollees in HMOs, therefore, were much more likely to play an active role in the health care system than were members of traditional health insurance plans. "The existence of an organized system provides the capability of changing the factors causing unhappiness among consumers of care," observed Saward and Greenlick.[33] Among the various HMOs visited, none exhibited such potent consumer influence as, for example, the Group Health Cooperative of Seattle, which "is controlled by an active consumer board that is greatly concerned with matters of consumer satisfaction."34 At the same time, virtually all observers of HMOs in the three communities concurred that the very structure of the HMO (as opposed to the largely unstructured health care system) and the fact that individuals must consciously choose group medical practice lends itself to an unusually large amount of consumer influence within the organization.

Power-sharing and Professional Development in Special Education

Power-sharing. Because Congressional policy with respect to special education was less ambiguous from the start, local pressures for legislative amendment did not develop as they had with HMOs. Instead, federal accommodation with local realities occurred in the interstices of the administrative process. While changes in local programs were expected, federal administrators recognized that innovations could only be effectuated over some period of time. Consequently, federal auditors did not demand instantaneous compliance with every stricture of the new law. The IEP provision, for example, was not made effective until 1977, even though the legislation had been enacted in 1975. Not until the school year 1980-81 did all the requirements under the law become applicable. This step-by-step approach was possible in part because, unlike the more rigid matter of federal HMO qualification, there was no formal seal of approval--or disapproval--placed on local special education programs.

Local response to the requirements varied with the nature of the provision and the willingness and capacity of the individual district to respond. Baltimore encountered initial difficulties in developing a workable IEP form and the district was found in non-compliance. However, Baltimore administrators responded with a revised--and far more manageable and useful--IEP form. They also provided in-service training programs designed to broaden understanding and build support for the process. By 1980, a Baltimore administrator noted that "you build up a mechanism and get used to doing things." She explained that after a difficult beginning the IEP had become commonplace rather than a threat.

In none of the districts could it be said that the IEP was universally applauded as a guarantor of an optimal instructional program for the student. Nonetheless, it has become a workable document, one that helped bring together a variety of resources to evaluate the needs of a student and propose an instructional strategy. "Today, everyone is pretty much geared to the IEP," noted one Dade County special educator. Another special educator recalled the difficult transition process but emphasized that most teachers in the district now "agree that an individualized program is needed. We can now say on paper that something individualized can be provided, and in many instances that paper becomes a meaningful document."

Other major provisions underwent similar periods of initial confusion and occasional conflict. At the same time, local latitude was substantial, as long as the basic federal program framework was observed. Least restrictive environment (LRE) provisions, for example, did not mean that every handicapped student was thrust into the regular classroom regardless of consequences. Instead, the extent and effectiveness of mainstreaming hinged principally upon local professional judgment and ability. Some individual schools and programs have resisted mainstreaming entirely and others have backed away after initial experiments; none have been penalized in any way by the federal government. Another illustration of LRE implementation was provided by a school principal who before the changes in the law had minimal special education experience: "Not every child will be able to make it in the regular program and . . . many should not be allowed in at all," she assessed. But with reasonable screening at her school, and creative and realistic staff promotion of the intermingling, she explained that "the majority of students are adapting to mainstreaming." Successful or otherwise, mainstreaming has been encouraged by the federal program, not forced upon every district and every classroom.

While the impact of the law was evident in all districts and its basic provisions were adhered to with increasing regularity, one needed only to visit a variety of schools and programs to realize how differently the same federal law was being implemented, even within a single district. Much like HMOs, special education divisions give little indication of having been homogenized because of a federal law or rendered ineffectual because of federal government meddling. The tenets of regulation theory notwithstanding, these complex federal programs operated without extensive federal interference or intergovernmental conflict.

Professional development. Federal deference to local exigencies coupled with increasing local responsiveness to Washington expectations was also a function of the fact that attitudes toward the handicapped were changing at all levels of government and throughout the society more generally. As in the case of HMOs, federal policy was reinforcing and institutionalizing a set of goals and objectives more widely shared, especially among those professionals with responsibility in this policy domain.

By the 1970s, changes in education for the handicapped were long overdue. Historically, local and state governments had minimized support for educational programs that were unable to promise a tangible return on investment, in terms of a better educated labor force and citizenry. As Amitai Etzioni has explained, "In the 1920s, even in the early 1950s, [and arguably well beyond], it was common practice that a person who could not do the work--in school, factory, office, lab--on the same terms, with the same equipment, as everybody else did not get the job, or the education." Special attention, concessions, and sympathy were sometimes granted the handicapped but employment and education were "allocated according to narrowly production-focused rationality."[35] Special education programs were particularly unappealing to local districts because of the high per pupil expenditures involved in providing any comprehensive, individually-oriented instruction. Moreover, the general absence of proven evaluation and instructional methods seemed to limit any potential efforts. Handicapped students "were in a closet; there were no expectations, no procedures, and no placement," recalled one veteran educator in Dade County. All in all, special education as a professional field had been highly circumscribed.

The evolution of special education from an occupation for minimally-trained caretakers into what came to be regarded as a professional discipline in schools of education was more or less coincidental with a series of court decisions in the early seventies that paved the way for the Education for All Handicapped Children Act. Thus, the law was both the product of increased political and professional attention to the handicapped and an instigator of these trends. Much as the federal HMO program gave impetus to the practice of pre-paid group medicine, so the new law for the handicapped promoted a sense of self-worth and professional dignity in the field of special education.

That the federal law only embraced changes already occurring within special education was apparent in both Baltimore and Milwaukee. In the former city, for example, the assistant superintendent for special education in the mid-1970s was active in designing the law itself. He also attempted, with varying degrees of success, to carry out many of the provisions in Baltimore well in advance of passage of the federal program. In Milwaukee, local parent organizations, as we have noted, lobbied before the state legislature for support of many of the special education reforms that were subsequently endorsed in federal policy. In these and numerous other comparable instances, the federal government was affirming local and state trends rather than imposing its own agenda.

More importantly, special education divisions across the nation were able to use the federal program to bolster their political standing in the very local school districts that had historically viewed them with disdain. In Dade County, the special education department was upgraded to divisional status, and in all four districts his division received substantial amounts of additional funding from federal, state, and local sources during the 1970s. By 1980, each had attained unprecedented political leverage and was able to compete for local resources. Even though Baltimore's assistant superintendent for special education was fired in 1978 for his outspoken criticism of district programming, the framework of the federal program had been well established, assuring that the basic reforms would outlive the tenure of the individual so devoted to their development.

Thus, program implementation in special education, as in group health, was closely connected to the emergence of a self-conscious professional group dedicated to achieving many, if not all, federal objectives. Washington was not imposing its desires on recalcitrant local administrators; instead local professionals eagerly pointed to federal requirements as justification for their own claims for programmatic expansion.

Professional identifications have become the link that has connected federal specifications to local realities. Although special education does not have the same claim to esoteric knowledge or anywhere near the same prestige as the medical profession, within the field of education its claims to professional standing have gained considerable strength. As compared to other fields of education,[36] special education--at least in some of its diagnostic techniques and treatment strategies--relies especially heavily on specialized knowledge. Assessment of an individual student's ability and determination of an appropriate instructional plan incorporates psychological, health, social, and educational factors. This assessment can include examination of individual vision, hearing and speech capacity, health history and present status, general developmental history, adaptive behavior, and relevant information provided by other social service agencies. Psychologists, psychiatrists, and educators continue to study abnormal child development and have proposed differentiated treatment and instruction for students who had formerly been lumped into broad categories and presumed uneducable.

Limits on professional prerogatives. That special educators found new dignity, garnered increased resources, and maintained considerable autonomy from federal control seems like grist for the capture theorist's mill. Just as HMOs gave the providers of group medicine access to new markets, so the education for the handicapped law altered the place of special educators in local school districts. But what about the consumers of these services? Did they receive any benefits? Or have these new resources devoted to education merely spawned new specialties, new administrative positions, and a new cadre of self-protecting "do gooders"? Posed in these ways, the questions cannot be answered until the results of education for the handicapped can be viewed in long-term perspective. As of this writing, it still remains impossible for anyone to undertake a well-designed, objective, comprehensive evaluation of program effects. Yet there is reason to believe that the beneficiaries of the law were not limited to the professional special educators.

For one thing, the major impetus behind the legislation came from groups representing the handicapped who clearly distinguished themselves from the educational establishment. Many of the provisions of the law were thus expressly designed to enfranchise the handicapped and his or her parents. To be sure, the IEP has not been a magnet capable of drawing every parent of a handicapped child fully into the process of evaluation and placement, but it has fostered active parental participation in each of the four districts we studied. Similarly, provisions such as mainstreaming have served to heighten parental awareness of and participation in the educational activities.

More involved parents have formed organizations designed to oversee the process of service delivery in a specific area of special education, usually one in which their child is enrolled. Such organizations, often informal bodies with no direct link to the school system, are most active in Milwaukee, although they are also evident in Baltimore and Dade County. Membership in these organizations often overlaps with mandated district advisory councils in each district. They form a tapestry of organizations that complement local professional direction of special education.

Parents of special education students have been unusually influential both because of their ability to find a receptive audience in the judicial system and their unusual political skillfulness. In each of the districts these parents tend to be far better-connected and knowledgeable politically than those of students who participate in other federal programs that mandate parental participation, such as bilingual and compensatory education. Many parents of the handicapped are well educated and have influential friends; they tap those alliances in attempting to obtain favorable policy decisions, which may involve placement of their child in a particular school or in a certain program within a school. Local special educators tend to be wary of parents, and are often anxious not to upset them, particularly those who seem likely to cause a disturbance in the event of a dispute. As a result, local special educators tend to be more concerned with how parents view their efforts than what the federal government thinks of their programs.

The most active and effective of the numerous parent organizations studied is the Exceptional Education Task Force of Milwaukee. This group preceded the passage of the Education for All Handicapped Children Act and has influenced Milwaukee and Wisconsin special education policy in countless ways. The lobbying efforts of task force leaders were instrumental in encouraging the Wisconsin legislature to pass far-reaching special education legislation in 1973 that in many respects paved the way for the federal program that followed two years later. The task force was also active in the divisional reorganization effort in 1977; many administrators and teachers in the division considered it a significant counter to their authority whether through its complaints to the federal Office of Civil Rights about a perceived violation or presentation of research reports to school board members. It has even succeeded in gaining funding from the district for clerical assistance and has been supported in its work by more specialized groups such as the Deaf and Hard of Hearing Advisory Council, the Association for Retarded Citizens, and the Autistic Society.

Milwaukee parents are exceptionally influential but are not alone in mustering an independent source of political power. In Dade County, for example, district advisory council influence has consistently grown after a struggling first year in 1979. According to one of its leaders, the council has gained full access to "any information that affects us" and it forms policy stances on various issues that often contradict divisional policy. "Parents, for example, forced us to take a good look at what we were doing vocationally with the handicapped," noted one assistant superintendent, who acknowledged that fervent pressure forced the district to expand programs in this area. "They call your attention to some things you might overlook."

Parents have also had significant influence on the special education programs in the Baltimore Public Schools. In 1974, a suit brought by parents of handicapped children led to a Baltimore County Circuit Court ruling that all Maryland children were entitled to a free public education regardless of handicap. Subsequently, many Baltimore parents have worked cooperatively with the Maryland Advocacy Unit for the Developmentally Disabled (MAUDD), which was created by the Development Disabilities Act of 1977 to "protect all the rights of the disabled," in order to exert influence over local special educators.

Conclusions

One can hardly describe HMO and special education programs as unqualified successes. The former has not expanded to include 90 percent of the nation's population, as proponents hoped, and the latter has proven more costly and difficult to finance than legislators had reckoned. Yet HMOs increased from thirty-three in 1971 to 243 in 1981, and the number of subscribers increased from 3.6 to 10 million.[37] During this same period the numbers served by special education programs have also increased markedly. When the law was passed programs for the handicapped served less than 4 percent of the school-age population; by 1981 they were responding to the special needs of more than 10 percent.

More to the point of this study, the administrative processes through which such actions were taken became increasingly cooperative and consensual. The uncertainties of the initial years gave way to a set of professional understandings and mutual accommodations that bound program participants together, whatever level of government or organizational entity employed them.

Superficially significant aspects of the administrative nexus turned out to be less important than underlying professional and organizational interests. One might have expected direct federal relationships with market-oriented organizations (the HMOs) to have been quite different from indirect relations with local school districts mediated through state departments of education. To some extent, these differences were important. In the first program, much effort went into ascertaining which practitioners of group medicine were eligible for federal "qualification." In the second program, local school districts were simply accepted as the "qualified" entity responsible for special education. But the similarities are more striking than the differences. If local school districts could not be "disqualified," they could be found "out of compliance." And if local school districts had the strategic advantage of being the only purveyor of programs for the handicapped,* the leading pre-paid group medical organizations were practically the only viable alternative, if not technically the only available outlet in a community. The context for bargaining between federal agencies and service-providers was thus much the same even in these diverse legal circumstances.

What is the larger theoretical significance of the cooperative relations that evolved in these two federal programs? If one accepts the claim that these cases were in no way exceptional, that, indeed, they were prime candidates for the regulator theorist's maze, or the capture theorist's stagnant pond, then one must also consider the possibility that much of the recent criticism of federal programs was both premature and overdrawn. The spate of criticisms of federal programs was spawned by an era that had both the highest expectations and the most severe cynicism about American institutions. To be sure, such reactions were invited by the lofty claims of Great Society enthusiasts who wrote extraordinarily far-reaching objectives into the laws they passed. That no serious government official ever expected these objectives to be more than decently approached was, however, under-appreciated by those analysts who found a great disjunction between what Washington promised and Peoria experienced.

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*Although private special education schools existed, the federal government could not pay for their services except through state and local educational agencies.

With the more realistic perspective that the passage of time allows, one realizes that the standpoint from which a program is to be evaluated is the condition that existed prior to the passage of the law, not the condition promised by politicians in search of broad support. With this same perspective one also recognizes that the law does not implement itself automatically, nor should it be expected to do so.

Change is necessarily gradual, as multiple actors assimilate a new policy into their field of relationships. To be sure, the law is modified and adapted as it adjusts to ongoing structures of power and influence. The extent to which this occurs is almost immediately apparent--and many studies of policy implementation have documented the same with painstaking care. But what becomes perceptible only with time is the extent to which the new law and the resources it generates alters previous relationships. Eventually, a federal law and its administrative arm become accepted as part of the policy field. What was exceptional is now routine. Professional competence means in part the ability to act in conformance with the expectations that the law has created. When Grodzins discovered cooperative federalism in the 1950s, it was only after review of long-established programs where the federal role had already been incorporated into state and local practice. It should not be surprising to hear that in the 1980s these same patterns had begun to develop around programs that had been conceived in the prior decade.

Footnotes

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2. Jeffrey L. Pressman and Aaron Wildavsky, Implementation (Berkeley: University of California Press, 1973), p. 87.

3. As quoted in David R. Beam, Timothy J. Conlan, and David B. Walker, "Government in Three Dimensions: Implications of a Changing Federalism for Political Science," Advisory Commission on Intergovernment Relations, Paper delivered at the 1982 Annual meeting of the American Political Science Association (Sept. 1982), p. 23.

4. Alain C. Enthoven, Health Plan (Reading, MA: Addison-Wesley, 1980), p. 58.

5. U.S. Department of Health, Education and Welfare, Towards a Comprehensive Health Policy for the 1970's: A White Paper (Washington, D.C.: U.S. Department of Health, Education, and Welfare, 1971), p. 37, as reprinted in Lawrence D. Brown, Politics and Health Care

Organization: HMOs as Federal Policy (Washington, D.C.: The Brookings Institution, 1983), p. 221n.

6. Ernest W. Saward and Merwyn R. Greenlick, "Health Policy and the HMO," Milbank Memorial Fund Quarterly, Vol. 1, No. 2 (April 1972), Part 1, p. 149.

7. Joseph L. Falkson, HMOs and the Politics of Health System Reform (Chicago: American Hospital Association, 1980).

8. Public Law 93-222, Section 1301(B)(1)-(2).

9. Brown, p. 298.

10. Public Law 93-222, Section 1301(c)(4).

11. Laurence E. Lynn, Jr., "The Emerging System for Handicapped Children," Policy Studies Review, Vol. 2, Special No. 1 (Jan. 1983), pp. 34-5.

12. U.S. Congress, House, Subcommittee on Select Education ofo the Committee on Education and Labor, Extension of the Education of the Handicapped Act (Washington, D.C.: Government Printing Office, 1975), 35-46. From Garry D. Brewer and Peter deLeon, The Foundations of Policy Analysis (Homewood, IL: Dorsey Press, 1983), p. 333.

13. U.S. Congress, House, Subcommittee on Select Education of the Committee on Education and Labor, (1975), pp. 49-50.

14. Janet M. Simons and Barbara Dwyer, "Education of the Handicapped," Government in the Classroom, Mary Frase Williams, ed. (New York: Praeger, 1979), p. 102.

15. Compiled from U.S. Office of Education, National Center for Educational Statistics, The Condition of Education, 1976 (Washington, D.C.: U.S. Government Printing Office, 1976), p. 215; U.S. Department of Education, National Center for Educational Statistics, The Condition

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16. Jane R. Mercer, "Sociocultural Factors in Labeling Mental Retardates," in LaMar P. Miller and Edmund W. Gordon, *Equality of Educational Opportunity: A Handbook for Research* (New York: AMS Press, 1974), pp. 318-33.

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20. U.S. Comptroller General, *Factors That Impede Progress in Implementing the Health Maintenance Organization Act of 1973* (HEW, 1973), p. 12. The report provides a very detailed account of the early problems encountered in administering the HMO Act.

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23. Starr, p. 415.

24. Ruth H. Stack, *HMOs from the Management Perspective* (New York: American Management Association, 1979), p. 9.

25. U.S. Comptroller General, 1978, p. 10.

26. John K. Iglehart, "The Federal Government as Venture Capitalist: How Does It Fare?" *Milbank Memorial Fund Quarterly/Health and Society*, Vol. 58, No. 4 (1980), p. 168.

27. Falkson, p. 206n.

28. U.S. Comptroller General, 1978, p. 14.

29. Brown, p. 326.

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Chapter VIII

Political and Professional Administration of Federal Programs

Who is in charge—the politico or the professional—greatly affects the administration of federal programs. Politicians with their roots in the community and their obligations to the constituents who elected them look at federal policies primarily with their affects on the local territory foremost in mind. But if politicians are place-bound, policy professionals are program-bound. In many cases their expertise—the esoteric body of knowledge not available to outsiders—consists of a detailed understanding of the rules, regulations, and expectations of the policy with which they are associated. Self-selected to serve a program to which they are committed, responsible for a policy they have a vested interest in perpetuating, socialized into a set of values appropriate for the programs they administer, pursuing careers in a vertical hierarchy that transcends any single governmental level, professionals tend to identify more with the policy than with the city in which it is located.

The consequences of professional as distinct from political administration for intergovernmental relations depend on whether a program is redistributive or developmental in character. Within the redistributive arena, intergovernmental conflict is greater and policy implementation is less effective where local institutions are more dependent on political and economic elites. Where professionals are in control of the redistributive policy, national and local objectives are increasingly coordinated, as administrators at federal, state and local levels develop common professional interests and aspirations. These cohesive groups of workers come to produce "a guild-like loyalty that transcends their identification with the government which happens to pay their salary."[1] Administrative cooperation among various levels of the federal system is reinforced by the merit system, technical information exchange, and professional conferences. On the other hand, a more politicized administration is less responsive to federal guidelines, because locally elected leaders often use federal resources for their own political and economic objectives.

Within the developmental arena, federal-local relations are more cooperative and policy implementation is more complete where local institutions are politicized, and professional influences less strong. A politicized institution is often more effective in mobilizing both public and private sectors in developmental programs. Mayor Richard Daley of Chicago, for example, was extremely successful in coordinating the interests of the machine, the professional bureaucrats, and the downtown business community.[2] Richard Lee of New Haven, an equally consummate politician, was able to mobilize community support for urban renewal because he exercised strong leadership over his party, within public agencies, and among bUqiness elites.[3]

While elected officials stand ready to transform the achievements of developmental policies into political gains, reformed institutions controlled by professional elites tend toward insularity and isolation from other institutions and sources of political support. Since professionals have fewer incentives to mobilize outsiders and to change standard operating procedures, politicized agencies are better able to use federal resources to pursue developmental objectives.[4] Also, in the absence of tight regulations and narrowly-defined objectives, federal officials are usually more willing to accommodate the concerns of local political leaders than those of professional bureaucrats. As a result, federal developmental objectives are more likely to assume a central place in the local agenda when local political and economic elites are more involved than when development policy is left in the hands of autonomous professionals. These propositions are summarized in Table VIII-1.

Table VIII-1

Degree of Cooperation in Federal Program Administration, by Type of Local Governance.

Type of Local Governance	Type of Federal Program	
	Redistributive	Developmental
Politicized	LOW	HIGH
Professionalized	MODERATE	MODERATE

Redistributive and Developmental Programs in Education and Housing

To test these propositions, we examined federal housing and education programs in Baltimore and Milwaukee. Title I of the Elementary and Secondary Education Act (ESEA Title I) and the Section Eight Rent Subsidy for Existing Housing Program, commonly known as "Section 8," were the two programs that were the more redistributive in nature. The two primarily developmental programs were the vocational education and Community Development Block Grant (CDBG) programs.

The differences between developmental and redistributive programs are exemplified by the objectives and administrative arrangements for the four programs. ESEA Title I, described in Chapter 2, is the largest of federal educational programs: it continues to adhere to its original redistributive goals of federal assistance to learning-deficient children from low-income families. Section 8, authorizing rent subsidies to low income families, was passed as part of Title II of the Housing and Community Development Act of 1974. Unlike other public housing programs, Section 8 tenants were allowed to seek their own housing units from the existing stock. Local housing agencies were to be notified only after the landlords and tenants had entered into preliminary agreement.

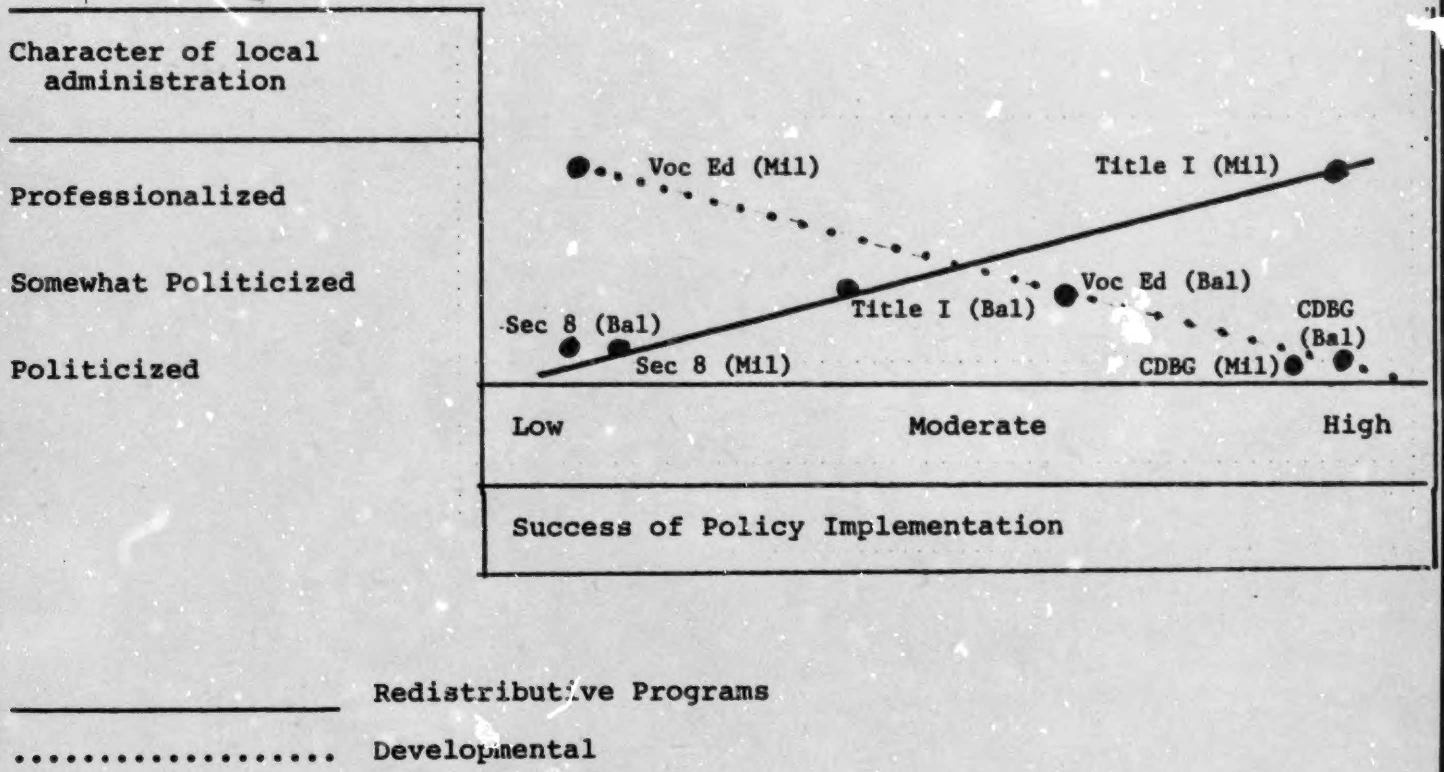
The other two programs, less redistributive in character, had developmental objectives. The Vocational Education Act of 1963 was enacted to enhance the skills of the work force, leading to higher levels of productivity. Consolidating many of HUD's existing categorical programs into a single block grant, the 1974 Community Development Block Grant (CDBG) program allocated to all urban communities an annual amount which, in many cases, exceeded even that of federal revenue sharing. As a major pillar of the Nixon administration's "new federalism", the CDBG legislation allowed a maximum degree of local discretion in the area of community development by offering a series of broadly-defined objectives and list of eligible activities.

Politics and Professionalism in Two Declining Cities

To examine how these federal programs were being implemented, intensive research was carried out in Baltimore and Milwaukee. While particular attention was paid to the implementation of the four federal programs, we also became familiar with the more general economic and political characteristics of the city as discussed in Chapter 3. While their economic situations were not dissimilar, these two cities differed in the extent to which their local administration was professionalized as distinct from remaining in the hands of vote-conscious political elites. Because of this difference in local norms and practices, we were able to see how local administrations differ in their response to federal programs even when their needs and problems are much the same.

The degree to which housing and education administrations in Baltimore and Milwaukee were directed by autonomous professionals as distinct from administrators highly responsive to political elites is summarized in Figure VIII-1. In both cities, housing programs were administered by a more politicized institution. In education, professional direction was the dominant pattern. However, Milwaukee's school system was directed by considerably more autonomous

Figure VIII-1. Administrative Character and Policy Implementation



professionals than was Baltimore's. The way in which these differences affected the extent of federal-local cooperation is also set forth in the figure.

Housing Policy in Milwaukee

Although Milwaukee has a strong reform tradition, Mayor Henry Maier has nonetheless become a powerful political actor over the twenty-two years he has been in office. While his long tenure is not atypical in the city's history, Maier has been exceptionally astute in maintaining political support in times of racial disturbances and of fiscal crises. He not only won an unprecedentedly large electoral victory following his handling of the 1967 racial disturbances, but his cautious fiscal policy has proven to be electorally popular throughout the 1970s. He has also established a close working relationship with influential members of the city council and continues to appoint his supporters to key administrative positions. Indeed, as a well-entrenched mayor, Maier is able to manipulate public resources for political purposes. This is particularly evident in the housing arena.

The city's housing department is run by the mayor and his top appointees, known as the "Marquette Mafia." The department provides a patronage base since one-third of its positions are exempt from the civil service regulations. Well-informed observers reported that the department awards many contracts to consultants who are political supporters of the mayor and that housing officials are well known for their involvement in mayoral politics. The city's housing department was also singled out by a recent state audit as one of the three city departments that lacked "meaningful control or monitoring" over its use of funds.

The mayor's influence extends to federal housing programs as well. Even tahseparate agency was set up to administer the CDBG, there is no doubt that the locus of decision making remains firmly rooted in the mayor's inner circle, with program priorities of the twenty-two million dollar CDBG fund predominantly shaped by city hall and a few influential city council members. In Milwaukee, the thrust of the CDBG has been preservation of fiscally sound neighborhoods in the city's south side. This strategy has proven to be electorally sound for Mayor Maier, since his strongest support has come from the property owners in the predominantly white neighborhoods located in this part of the city. Political allies and supporters of the mayor are hired as consultants, awarded CDBG projects, and appointed as citizen representatives to the CDBG advisory body. As one neighborhood worker summarized, "Neighborhood groups are seen as either pro- or anti-mayor." The mayor's achievements in community development are also publicized in CDBG-funded publications. At the same time, with some influence over the allocation process, some city council members have been using federal resources to their own political advantage as well. The more influential among them have secured CDBG funds for pet projects in their own districts and have cut off funds to neighborhood groups that are associated with their political opponents.

The "Marquette Mafia" also governs the ways the Section 8 program is carried out in Milwaukee. For example, despite strong pressure from the federal government, the city housing department has not provided any assistance to black families who might wish to move into Section 8 units on the south side, since such an action would amount to "political suicide." The mayor also maintains direct correspondence with the federal government with regard to all issues related to both of these federal programs. As the representative of a neighborhood group observed, "The mayor's the chairman of the board. City hall does not try to be subtle on policy issues when the mayor wants certain things to happen."

School Policy in Milwaukee

In direct contrast to the housing policy arena, school policies in Milwaukee are largely independent of the preferences of the city political and economic leaders. The mayor's influence is limited by a highly professionalized and fiscally independent school system. School board meetings are publicly broadcasted, budgetary and other school decisions are open to public scrutiny, and organized interests are frequently given formal opportunities to voice their preferences in the system. Even the often politicized issue of school desegregation was effectively handled by the professional staff following the 1976 court order.

The administration of federal educational programs in Milwaukee has reflected the reform characteristics of the school system. For example, specialized offices were set up as soon as the district began its ESEA Title I and vocational education programs in the mid-1960s. Administrative responsibilities were assumed by individual program coordinators, who accounted for the use of federal monies, assured compliance with federal requirements, and corresponded with federal offices. In short, federal programs were increasingly institutionalized into the standard bureaucratic procedure of the city's school system.

Housing Policy in Baltimore

Unlike Milwaukee, Baltimore has all the characteristics of a machine city. Bearing close resemblances to the Daley administration in Chicago, the Schaefer administration in Baltimore is often considered one of the most powerful surviving political machines in the United States. The Baltimore city charter calls for a strong mayor-weak city council form of government. For example, the five-member Board of Estimates, which has the authority to commit city expenditures (which the city council can only delete from, not add to), is dominated by the mayor and his two appointees. In addition, Mayor Schaefer's power and influence has extended far beyond his formal authority. As an official in the city administration maintained "Mayor Schaefer is very smart, very powerful, very tough and very honest." Even a critic admitted, "William Schaefer learned from Daley of Chicago to put his name on everything. He also knows how to recruit support from the opposition." It is no secret that Schaefer controls an overwhelming majority of the members of the functionally-weak city council. In addition, political favors help sustain Schaefer's support among influential black families and black community leaders. The mayor enjoys the backing of local Democratic clubs, which in an electorate that outnumbers Republicans by nine to one, has considerable political weight.

Finally, the mayor and his close associates have constructed what some have called a "corporate machine" that has autonomy over an enormous amount of public resources, and hence, provides a material base for the functioning of the political machine.5 The mayor and his trustees in the corporate machine have become distributors of patronage in the form of low-interest loans to their friends and political supporters and other politically important community corporations.

The influence of Baltimore's city hall has permeated the city's housing department as well as the fiscally and politically dependent school system. The mayor is "entirely committed, and has an obsession with Baltimore," said an official. "He's not ruthless but allows nothing to get in his way." Federal housing programs are more politicized in Baltimore because they are important for Mayor Schaefer's ambitious "Renaissance" to revitalize the city's commercial and residential bases. For example, a major portion of the CDBG federal funds was used to subsidize the glamorous reconstruction of the Inner Harbor areas, now a prosperous tourist attraction consisting of hotels, shopping and restaurant malls, an aquarium, and commercial landmarks, such as the convention and the world trade centers. Another portion of CDBG funds was used to supplement the city's gentrification efforts by financing the construction of new towns in-town for young middle-class couples. In order to mobilize community support for his "Renaissance," Mayor Schaefer allocated the remaining federal resources to neighborhood groups. Outspoken dissenting groups hardly received any CDBG projects. Concluded a community activist, "Usually those groups that are politically in line got most CD dollars. Then, the remaining money will be allocated to some marginal neighborhoods."

Schaefer's "Renaissance" strategy also governed the ways in which Section 8 programs were implemented in Baltimore. Top level housing officials, for example, instructed the Section 8 staff to give top priority to displaced families as a result of private revitalization efforts. Section 8 budgeting was worked out jointly between the program coordinator and city hall. In short, the mayor was the housing "boss." As one who was intimately familiar with the city's housing efforts said in summary, "There is no question that the mayor has the final say in all decisions in the housing department."

School Policy in Baltimore

School policies in Baltimore have also reflected the concerns of elected political leaders. School expenditures requiring the approval of city hall are subjected to careful scrutiny by administrators who report directly to the mayor's chief aide. All nine school board members are mayor-appointed; in recent years, they have accepted the relatively passive role of approving agreements reached between school officials and city hall. The current superintendent is said to be "a good team player," who has accepted strong mayoral leadership as legitimate. The mayor, in turn, has been pleased with the school administration, which has pursued policies that reinforced the mayor's overall strategy of "revitalizing" the city. Improvements in test scores over recent years have been heralded as evidence that the school system's "instructional program is working." At the same time, controversial issues, like integration, have been minimized. An official was quick to point out, "Mayor Schaefer has benefited by keeping schools out of the headlines while emphasizing downtown renaissance." Increasingly, the school system has become part of the mayor's patronage base. Personnel who have orchestrated mayoral activities have been put on the school system's payroll. Central office school administrators found to be critical of school policy have been either demoted or transferred.

Like personnel, allocation of resources has been politicized. At the building level, inequitable distribution of funds has served as a warning to dissenters. Likewise, federal resources have been mixed with the schools' general fund and frequently used for partisan political purposes. A school administrator even went so far as to say that the school system has had a "whore's mentality" on federal funding, "grabbing whatever was available and never institutionalizing the programs." While Title I funds were seen as indispensable to test score improvement, they were also used to quash dissent within the system. Central office administrators were accused of "playing games" with budget and program decisions, often ignoring politically weak schools regardless of their need, while threatening to withdraw or reshuffle funds from schools which did not support central office concerns. At the same time, administrative personnel responsible for Title I and vocational education have been changed several times in recent years. As a former central office administrator in vocational education explained, "There is a failure to promote able department heads, a failure to reward those with the greatest experience and ability. Our system's just bad in terms of picking leaders." Thus, the Baltimore school administration seems to be a politicized institution, even though it maintains a large professional staff to take care of routine operations.

These inter-city and inter-policy differences in administrative practice permitted us to determine whether redistributive programs were administered more cooperatively in the reform city, where professional control was the norm (Milwaukee), or in a machine-style city, where elected leaders and their political appointees predominated (Baltimore). The differences also allowed examination of a policy arena where professionals were in control (education) as compared to an arena where they were weak (housing). In addition, we were able to see whether the opposite consequences of these administrative configurations occurred in the developmental arena— whether a politically controlled administration (Baltimore) was better able to implement developmental policies than a professionally controlled administration (Milwaukee), and whether developmental policies in the politically controlled policy arena (housing) were more successfully executed than those in the professionally controlled arena (education). The pattern of expected relationships, once again, is set forth in Figure VIII-1.

Professional and Political Administration of Redistributive Policies

Federal regulation and local resistance were evident in redistributive programs in both education and housing. In the face of federal directives to use monies for needy groups, local officials, on several occasions, diverted funds for these redistributive programs to other purposes. In Title I the funds were at times used for general school purposes; in Section 8 little local effort was made to insure that the quality of the eligible housing stock met federal standards.

In neither city did leaders add local funds to federal dollars to help implement the programs.

There was enough variation within this overall pattern of central direction and local resistance to require further distinctions, however. Some redistributive programs were administered with less intergovernmental trauma than others. In some cases, central direction came more easily, when local response was more acceptant of federal requirements. In other cases, disagreements were frequent and prolonged.

The key factor in acceptance of federal government regulations seemed to be the extent to which local administration was under specialized, professional control. In this regard, the differences between education and housing policy are particularly striking. In housing, federal-local relations took an adversarial character in both cities. In the initial stage, local administrators received helpful advice, technical assistance and training from the federal government. But when Washington repeatedly began to find non-compliance with its regulations, federal officials became less trusting. As one local official explained, they "always wanted to double check our reports and were distrustful of our handling of the program."

In Milwaukee, the major area of federal-local "tension" in housing policy involved the issue of residential desegregation. In a program review, the federal government concluded that "currently an equitable distribution of family public housing does not exist in the city of Milwaukee."[6] More specific federal charges focused on the city's Section 8 program, finding black participants concentrated in minority areas and white participants in predominantly white neighborhoods.

Indeed, since 1980 the HUD area office has twice recommended to the federal government that, if Milwaukee continues to show no progress toward "deconcentration" in the Section 8 program, the federal government should withhold the CDBG and other grants and loans to the city. In 1981 city officials proposed two "demonstration" projects that would have given the city a freer hand in the assignment of tenants, but the federal government withheld its approval.

The Section 8 program in Baltimore provides an example of why a declining city is reluctant to carry out a redistributive program even when the cost is paid for by the federal government. Even though participating units were required to comply with a list of housing quality codes before the local authority could approve the rental contracts, the Baltimore housing administration assigned a low priority to enforcing housing quality standards. As early as the very first program review in late 1976, federal officials found numerous violations of the required Housing Quality Standard. Not only were no city inspectors specifically assigned to Section 8 inspections, but tenants were allowed to move into homes without any housing inspection having occurred, a policy of the city that remains unchanged at this date. In a recent review, federal officials concluded that "the most significant [findings that required corrective actions] are several housing quality standard violations."[7] Even though federal inspectors found code violations in nineteen of twenty randomly selected units, city officials dismissed the findings as "purposely microscopic," blaming Washington for excessive paperwork that consumed so much time that it precluded adequate inspection of the housing stock.

Intergovernmental conflicts over compensatory education policy, though not insignificant, were not as intense as in housing. Redistributive educational programs were usually formulated by specialists in particular policy areas in the local school system. Even the school superintendent did not always seem to be well-informed about these programs. Instead, federal-local differences over regulations were more or less easily resolved by the few experts who had been directly involved in the particular aspects of the program.

Even when school districts were found to have misused federal ESEA Title I dollars, federal-local disagreements were readily reconciled as the school professionals at the state level assumed the mediating role. Ever since an adverse federal audit in 1973, Milwaukee school officials began paying close attention to complying with all federal regulations. As a result, Milwaukee has not been audited by federal officials, and many of the original federal charges have been dropped, while school professionals have increasingly become familiar with the federal requirements. As a top official summarized the federal-local relationship, "As long as the district gets its fair share of Title I allocation, federal guidelines will not be considered as problematic but as something we already have become accustomed to."

More severe conflict over educational redistributive programs occurred in Baltimore, where school autonomy from local politics was more limited, and where professionalism was less well developed. Originally, federal dollars were mixed with the general fund, and local school officials were said to have been casual in identifying the schools with the largest proportion of disadvantaged children. It was also said that Title I dollars had been used for "patronage" purposes.

Consequently, the 1978 federal audits charged the district with failure to "fulfill its responsibilities in monitoring to determine that funds were spent in the Baltimore schools in conformity with federal regulations." Even supporters of the Mayor admitted that the school system had "operated the Title I program inefficiently, and had used a deficient accounting system." As one Title I school principal said, "We never knew what comparability was." Unlike Milwaukee, where professionals were quick to correct their policies, school officials in Baltimore, supported by their colleagues at the state level, contended that the allegations were inaccurate and brought suit in federal court to sustain their position. Meanwhile, under federal and state pressure, the local school administration agreed to set up a Title I office for the first time to oversee program implementation. The school administration also responded to federal charges with substantial shifts of Title I personnel during 1978-1979 and with the introduction of an evaluation system in 1980.

In short, both inter-city and inter-policy comparisons yield much the same finding: where professional direction is greater, so is local responsiveness to federal regulations. School professionals in both Milwaukee and Baltimore were more attentive to federal guidelines than were the politicos responsible for housing policy. However, school professionals in reformed Milwaukee had fewer conflicts with Washington than did their counterparts in Baltimore.

Professional and Political Administration of Developmental Policies

In the developmental arena, the effects of political as distinct from professional administration were reversed. In this case, federal goals were executed more successfully when local governance was politicized. It was not a matter of responding to federal direction as much as the fact that federal administration was too vague and general to require any particular local response. Instead, it was a question of the extent to which leaders could mobilize support for their objectives on the part of people and institutions, both national and local, both public and private. At this, elected officials surpassed specialized professionals.

The most pronounced developmental successes were to be found in politically controlled CDBG programs. In both Milwaukee and Baltimore, the mayor's office had incorporated the CDBG as a major component of its overall city development strategy. In Baltimore, for example, federal CDBG dollars, together with private investment, were used to underwrite the city's "Renaissance." The success of the well known Harbor Place, Charles Center and the Cole Spring new town in-town undoubtedly enhanced Mayor Schaefer's national image and consolidated his position in Baltimore. In Milwaukee, Mayor Maier directed the CDBG money to strengthen the city's fiscal base through maintaining the property value in neighborhoods adjacent to deteriorating areas, a policy that gained him the overwhelming support of white property owners in the fiscally-stable south side.

Because the CDBG programs were politically as well as fiscally profitable, local officials were more willing to comply with the few federal requirements there were, which in any case were not seen as significant constraints on their discretion. Issues related to the interpretation of legislative requirements and program objectives were resolved through consultations and conferences between the city and federal officials. The one area of local complaint was the requirement that local administrations submit a Housing Assistance Plan (HAP) in order to receive their CDBG entitlement. Calling this rule "the stick attached to the CDBG carrot," city housing staff expressed concern about the enormous amount of tedious statistical work necessary to produce HAP figures. But on more substantive matters, such as the designation of CDBG program-recipient areas, federal officials accepted local proposals.

In education local utilization of federal resources has been less imaginative. Although many vocational educators feel that closer cooperation with business is essential for program success, the involvement of the private sector in training programs remains quite limited. This seems due at least in part to the bureaucratic rigidities and professional isolation that mark Milwaukee's school system. While it is true that federal vocational dollars were used to support some newly created "specialty" programs, such as a word processing specialization at Hamilton High, here program success was hindered by the decision to retain mathematics teachers unfamiliar with the new systems. These kinds of practices gave rise to business complaints that many vocational counselors and teachers were "detached from the needs of the job market" and were "less willing to adjust to new and changing circumstances." Even though the school superintendent initiated efforts to increase private sector involvement, business impact at individual schools was peripheral.

Baltimore's use of the federal vocational dollar was more dramatic. Some school officials even considered the federal contribution as critical for the "renaissance" of Baltimore's vocational education. One veteran administrator stated: "Federal funds have helped us to replace our outdated curriculum, and we've been turning that around." As compared to Milwaukee, Baltimore's vocational education received much more active mayoral support. Mayor Schaefer, who publicly identified himself with the success of a new skills center, made clear his own commitment to vocational education: "It's true that we find vocational high schools in Baltimore," he said, "but there are not enough of them. When you think about the high unemployment rate we have, and the change in direction of everybody being a white-collar worker, then you know why we have to move in the area of skill centers."

What was said publicly was reinforced in less obvious actions taken by the mayor. One vocational school principal with close ties to City Hall confirmed that skills centers were "one of the mayor's top priorities." Others also praised Mayor Schaefer for serving as the catalyst of the project. "Schaefer made the skill center possible," said a school official. "He sees vocational education as a resource: he knows the number of kids around town with nothing to do." With this kind of visible mayoral support, firms and corporations were willing to identify themselves with particular schools and programs, and, as a result, Baltimore's public-private sector relationships were more extensive than those observed in Milwaukee. Yet even in Baltimore, mobilization of public and private resources for vocational education falls far short of what was achieved with CDBG funds. The Baltimore "renaissance" in education is pale by comparison to the downtown urban renewal touted by that name. Where professionals control the policy-making system, even strong mayors can have only a modest impact.

Conclusions

These findings suggest the final proposition that policy research has policy consequences. While particular studies may have little policy significance, the cumulative effects of a broad research tradition will eventually have an impact—especially when a new political movement, eagerly searching for policy innovations, captures power. At one time, "marble-cake" views of federalism justified the expansion of grant-in-aid programs that marked the Great Society. More recently, implementation theory justified federal retreat and an emphasis on block grants. Yet the latest set of ideas to have found political favor—implementation theory—may in fact be based on limited and out-of-date research. ESEA Title I today, is, for example, operated with much less conflict than was found by Jerome Murphy[8] in his excellent but perhaps premature account of that program's administrative failure. Instead, a theory of federalism must take into account both differences in policy and differences in administrative roles if it is to provide adequate policy guidance.

Federal theory must first distinguish between redistributive and developmental policies. The former must be a federal prerogative, while a good deal of developmental activity may be left to states and localities. For example, vocational education may well be left to the states, but states are inadequate to the task of compensatory education. While localities are ready to promote community development with both their own and outside resources, the federal government needs to maintain an active directing role in those housing programs that benefit low-income families.

Federal theory must also take into account the characteristic role of both the political broker and the bureaucratic professional. Their contrasting styles in intergovernmental programs are rooted in their structural place in the federal system. For the politicians, the base of power--and constraint--is the territory in which they are elected and the area they are expected to represent. For the bureaucratic professional, the base of power--and the structural constraint--is his or her credentials, expertise, access to quasi-privileged information, and adherence to the normative code that is shared with colleagues. Response to federal regulations and guidelines varies accordingly.

An elected official's primary obligation is to the local community. What happens within that economic and political space determines the politician's success. It is not simply re-election that is dependent upon faithful stewardship to the local community, though most politicians are well aware that without electability their other virtues are politically meaningless. Even more important, the elected official's sense of responsibility is likely to be territorially bounded. Most local politicians have no particular interest in serving the public elsewhere. While some local politicians have aspirations for higher office, even these must show that in their city-bound office they served their constituents well.

In fulfilling their political obligations, politicians cannot escape their responsibility for helping to maintain the community's economic base and fiscal well-being. In declining cities such as Milwaukee and Baltimore this concern can become pervasive, affecting nearly all the major decisions the mayor and his or her top lieutenants take.

Economic and fiscal concerns especially dominate housing and land-use politics, if only because the allocation of physical capital is relatively permanent. Decisions taken now are likely to have a fixed and fairly predictable impact on the community's future prosperity. Local decision-makers simplify what is inevitably a complex set of calculations by estimating the amount of local tax revenue that is expected to be generated from a particular land-use. Simple predictions estimate the yield to be generated from the property tax; more complex predictions will estimate spill-over and off-setting effects elsewhere; still more complex predictions will take into account the consequences for sales and income tax revenues and the increased costs in city services that will be a function of new land-use patterns.

While all these calculations are subject to error, any approach is likely to show that high-income residential or commercial development is likely to yield greater economic and fiscal benefits than is a low-income housing project. The latter seldom generates significant tax revenues and usually entails increased city services. Section 8 housing also poses certain risks for a declining city. If the subsidies are only used to rent low quality housin[illegible] low-income communities, the risks to the community at large are small and some citizens benefit. But if the subsidies are used to rent fairly high quality housing in moderate to high income parts of the city, then local officials are more likely to become concerned about the "neighborhood effects" of the program. Will the changing social mix of the community lead to outward migration of more prosperous residents? Will this accentuate processes of decline already apparent in the older, declining city? Given these questions, local political leaders are likely to resist federal directives that conflict with their own sense of community priorities. On the other hand, they welcome subsidies designed to enhance the community's commercial and industrial tax base.

Local officials are also cognizant of the economic and fiscal consequences of school policies. They know that good schools help preserve good neighborhoods, and they are eager to develop special programs and magnet schools that will provide high quality education to the children of the city's more productive families. Inadequate response to their needs will only hasten middle class flight from the central city. Elected officials would also like to see high quality vocational programs training a labor force that would attract and keep commerce and industry.

If the politician is community bound, the professionals are program bound. Their careers are connected to their claims to expertise and their comprehension of a particular subject matter. In the "softer" professions, such as education and planning, the expertise is as much familiarity with a set of practices as in any body of esoteric knowledge. That practice is governed by rules and procedures derived not simply from professional norms but also from the regulations imposed by political authorities. Although in egregious cases bureaucratic regulations may conflict with professional norms, in most situations the two merge imperceptibly together so that the practitioners may hardly know which one is governing his or her behavior.

Any individual professional person may be a community resident and loyal to local officials, but the role does not impose a set of territorial responsibilities in the same way a politician's role does. Thus the professional is less keenly aware of the way in which federal directives can conflict with community interests. Especially if federal requirements are coincidental with professional norms, the administrator is more likely to become a program advocate to local authorities than a challenger of federal requirements. Compensatory education is just one example of a broader phenomenon. The program is designed for the disadvantaged; federal rules insist that monies be allocated in ways to serve this, and only this, group; these requirements are consistent with the professional norms of educators who have special responsibilities for the disadvantaged; local professionals, as a result, are as likely to be as strongly identified with federal rules as are Washington bureaucrats.

If professionals follow rules well, they are not particularly entrepreneurial. Where program success requires multiple contributions from diverse sources, the most effective policy-maker is the political broker with well-defined community loyalties. Under these circumstances the federal government does better when it ignores the professionals and gives scope to the politicians.

Footnotes

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PART IV

Conclusions

Chapter IX

A THEORY OF FEDERALISM

The workings of the federal system are varied and complex. The pattern of intergovernmental relations depends on whether the policy is developmental or redistributive, whether professionals or politicos are responsible for program direction, whether the arena for decision is in education, health or housing, whether a program is new or long established, and whether political constituencies are highly mobilized or inattentive. In this concluding chapter we shall attempt to bring together these diverse findings, beginning with a restatement of the major findings, and then offering a more general framework that seems to account for the specific relationships that have been observed during the course of this study.

The Specific Findings

1. Developmental programs are loosely administered, require few regulations, are subject to few evaluations, and generate few intergovernmental conflicts. Since communities are only asked to carry out programs and perform services they are already inclined to provide, they need little guidance from the federal government. Since conflicts of interest are minor, Washington writes few guidelines and monitors local activity only in general terms. The vocational education program and Title III of the National Defense Education Act, both of which had broad developmental goals, illustrate these tendencies.

2. *Redistributive programs are more closely monitored by state and federal officials*. Regulations are more detailed; evaluations are more frequent and more extensive; audits are more searching; and conflicts are more frequent. The federal government acts as if it is more dubious about local commitment to programs of this genre. This pattern is exemplified by the special education, emergency school aid, compensatory education, "section eight" housing, and health maintenance organization programs.

3. *Federally funded programs tend to be well-defined, segmented within a city's service delivery system*. This permits the federal government to regulate, audit and evaluate local policy. It also allows the local community to vary the size and scope of its activity with variations in federal appropriations. Rapid growth, dramatic cut-backs, funding delays and surprise supplemental allocations are all more easily accommodated within a system somewhat separable from other local government programs.

In vocational education and Title III (Later Title IV-B of ESEA) monies were usually spent on equipment, renovation and supplies, items which can be purchased sooner or later in larger or smaller amounts depending on fund availability. Compensatory education programs typically had their own administrative and teaching staff; teacher aides hired under the program had no tenure apart from the availability of federal dollars.

4. *Block grant programs with broad, ill-defined or multiple purposes will tend to pursue developmental objectives*. In the absence of well-defined federal expectations, local governments use money for overall community expenditures or for programs especially designed to

promote economic betterment. The impact aid and Community Development Block Grant programs, both of which had broad or multiple purposes, provided money which localities used for general city services or for clearly defined developmental objectives.

5. *Redistributive programs are more likely to be readily implemented in economically and fiscally prosperous locales than in cities facing economic decline or fiscal shortfalls.* The cities with more resources are apparently better able to attend to those with special needs. The most economically hard-pressed city, Baltimore, was least compliant with federal regulations in compensatory education, special education, emergency school aid, and section eight housing programs. Dade County, the most prosperous district, was most responsive to federal initiatives in compensatory and special education.

6. *Redistributive programs are more likely to be effectively implemented when professionals are responsible for their administration at the local level than when administration is closely directed by associates of elected officials.* Professionals are more program oriented and less community bound than local political leaders are. Education and health programs were directed by professionals, and compliance was generally higher than in housing, where politically sensitive leadership is the norm. In the city (Baltimore) where administrative leadership was less professionalized and more closely connected to political leaders in both education and in housing, policy was less responsive to federal directives than it was in the other three cities, all of which relied more heavily on professional administrators.

7. Developmental programs are more likely to be administered more effectively when political leaders are influential. Political leaders are better able to mobilize the cooperation of diverse community institutions whose help developmental projects often require. Professionals tend to routinize and isolate such undertakings. Both vocational education and community development programs were directed with greater imagination and community impact in Baltimore than in Milwaukee.

8. Redistributive programs seem to go through three phases during the early years of their administration. First, localities resist poorly specified federal guidelines, and charges of funds misappropriation are rampant. Second, federal officials develop stringent regulations, conduct detailed audits, and scrutinize local operations. (In some instances, the first stage is bypassed when groups supporting the passage of the program press for rigorous federal direction from the outset.) Charges of federal interference reach their peak. Third, mutual tolerance begins to emerge as federal officials learn what is reasonable to expect and local administrators learn through experience, conferences, and conversations the formal rules and informal expectations. Compensatory education, special education and health maintenance programs have experienced these three phases.

9. The more visible the potentially negative impact of a federal program on a community's economic development, the more politicized an issue becomes and the more resistant it will be to federal policies. Housing policies designed for low-income people generate conflict because the anticipated negative effects are both visible and long-term. School desegregation policies expected to hasten "white

flight" are especially controversial and difficult to implement.

10. Over time the intergovernmental system develops highly consensual decision-making processes. Developmental programs give local administrators great flexibility, and local professionals learn to live with and adapt to the requirements accompanying redistributive policies. Many federal programs are established locally in ways that allow them to expand, contract and transform themselves as federal expectations change. If difficulties arise they are more likely to arise from continuously changing legislative requirements than from administrative inefficiency.

11. The image of unworkable federalism persists in part because social scientists and journalists focus on the conflictual, the controversial, and the newly initiated instead of on the routine, the consensual and the long established. Generalizations about federal programs as a whole from case studies of desegregation policies are the most compelling example of this tendency.

Toward an Alternative Theory of Federalism

These specific findings are of interest and significance in their own terms. They revise our understanding of the federal system by emphasizing the continuing cooperative relations among federal, state and local officials, by distinguishing among types of programs and locales, and by showing the way in which programs stabilize over time. Yet it is possible to place these specific findings into a broader theoretical perspective.

Consider the proper distribution of power between a central government and a large number of local governments that share authority for the country in a number of policy domains. Quite clearly, policies that affect the entire society equally are appropriately assigned to the central government; national defense is the pre-eminent example. At the same time, policies that affect only one subdivision and no other are appropriately assigned to local governments; the people in that community can then decide whether the benefits from the program exceed the costs and decide accordingly. People who value the program more than it costs for them to receive these benefits will, *ceteris paribus*, move to the community. Differences in policies among localities will arise, as each community offers a somewhat differentiated set of public services and accompanying taxes in order to satisfy the particular demands of the relatively homogeneous group of residents living within it. A differentiated set of local government programs, all of whose effects are entirely local, will in this way provide a higher level of satisfaction in a society than any uniform set of services provided by the central government. Playgrounds can be concentrated where young children are in abundance; senior citizen recreation halls can be clustered in adult communities; parks can be maintained at varying levels of care, depending on local aesthetic tastes.

It has been cogently argued, in fact, that to the extent that services can be decentralized, to that same extent one can obtain a better fit between public provision and genuine public demand (i.e., willingness to pay the cost of that service).[1] However, a close fit between public demand and service provision can occur, even under the best circumstances, only when services have strictly local consequences. For those governmental activities whose effects spill over local boundaries and affect adjacent communities, one cannot match citizen demand and public service in a system of uncoordinated local governments. Each local government attends only to the consequences of its policies for its own residents; each overlooks the impact of its policies on its neighboring communities. Even worse, it may attempt to make its neighbors "pay" part of the cost of its services by, for example, locating its garbage dump on that edge of town opposite from the direction of the prevailing wind. Its noxious fumes are thus endured by its neighbors, and it has no incentive to minimize them.

Recognizing that "two can play such a game," norms of common courtesy and local agreements among neighboring communities can eliminate or at least reduce the tendency of local governments to externalize costs and internalize benefits. But to the extent that external consequences are widely diffused, not easily discerned, or affect many other local governments, to that extent cooperative agreements among localities are unlikely to provide efficient solutions. In this case, citizens in all communities can be expected to call upon the central government to intervene.

One can distinguish between two kinds of policies--developmental and redistributive--whose systemic consequences require intervention by the central government. Developmental policies which require central government involvement are those which both contribute to local economic development and which have consequences external to the locality. The best example perhaps are transportation systems which not only enhance localities' capacities for commercial interchange but also increase trade and communication among them. The United States Constitution recognized the important role of the central government in this area of trade and exchange when it forbade states to erect tariffs or other barriers to commerce among themselves. Even in the *ante bellum* years, when the federal role was otherwise extremely limited, Congress took upon itself the responsibility for assisting states in the building of canals, roads and other modes of transport.

Central government support of these and other developmental goals is warranted by the fact that local communities, if left to themselves, would spend for such purposes only an amount equivalent to that which the community itself expects to gain from the resultant increase in economic activity. It will not spend funds for that portion of the project that benefits people living outside the community. Without central government support, localities would thus underspend for developmental purposes.

Intergovernmental efforts on behalf of developmental objectives are marked by cooperative, mutually adaptive relations between central and local governments, because the federal government, by aiding economic development, is only assisting localities in what they would otherwise want to do anyway. To be sure, they would do less development without central assistance. But as long as the central government is willing to pay the costs (or some fraction of them) the locality has every incentive to carry out the program that will redound both to its benefit and to the benefit of its neighbors.

Some intergovernmental discussion and negotiation is required, of course. Highways need to be built along routes that make more than strictly local sense. And circumstances will arise when a locality, or some special interests within it, will attempt to skew developmental policy along lines that the central government will feel is inefficient for the larger society. Also, partisan political considerations, bureaucratic ineptitude, and side payments to well-placed group interests can confuse and confound particular programs. Yet the broad pattern of intergovernmental relations in this arena is likely to be mutually adaptive.

The central government will also assist in the formulation and financing of redistributive policies. In this arena the policy consequences external to a community are, if anything, more far-reaching, if less visible, than are the external consequences of developmental policies. If a locality redistributes local resources to an especially needy segment of the society, it will, ceteris paribus, attract members of that needy segment to its community. All other localities will benefit from the fact that they can see those in need well cared for without themselves bearing the cost. If, however, a locality does not redistribute resources to help those in need, other localities suffer. Either they must take up the burden, or their residents must observe the consequential suffering.

Localities thus face an example of the classic collective action problem. This problem arises whenever a good or service available to one member of a group is available to all. Clean air is a well-known example. One member of a community cannot enjoy clean air (outside his air conditioned home) without other members also having the same opportunity. Even though all may value the clean air, each member continues to pollute because he realizes that even if he stops polluting the air will remain dirty, unless others also stop. Everyone waits for the other person to take the first step, and, as a result, nothing happens. What is commonly desired is still not provided.

In the case of redistribution it is possible that citizens of all local communities want to see the government help the needy, yet no local government will provide the services for fear that it will be unduly burdened by societies' problems while others escape the responsibility or, as is often said in this connection, "ride free."

Two solutions are possible. First, the central government may simply assume for itself the responsibility for supplying the redistributive services. Help for the needy, like national defense, may often be best provided by the central government. The social security and medicare programs are well-known examples of federally funded and (largely) federally administered programs. Yet there are circumstances under which the central government might wish to involve local governments in its programs of redistribution.

The central government can directly provide for the needy without involving local governments when redistribution takes the form of a cash award on the basis of some fairly well-defined criteria. Social security is the obvious case in point. Whenever commodities are to be distributed or services are to be performed—housing, education, medical, food, legal assistance, or social support—the administrative complexity of the redistributive program may call for participation by local governments. When this happens, central and local governments undertake joint responsibility for redistribution. The education, health and housing programs we have analyzed in this study are such programs.

Intergovernmental programs of a redistributive nature take a form different from those with a developmental focus. In this case local governments are being asked to carry out a responsibility quite distinct from any they are likely to have initiated on their own. Initially, they are likely to react guardedly to central government policies. How much actual--as distinct from symbolic--redistribution does the central government expect? How aggressively will the central government pursue its ostensible goals and enforce its stipulations? Will any overly zealous local government be saddled with obligations others have evaded? Is the central government going to sustain its program or is this but a passing episode?

A three-phase evolution of inter-governmental relations may occur during the initial years of a redistributive program. In the first stage the central government is likely to be vague in its objectives, imprecise in its stipulations, and inept in its administrative actions. Local governments are likely to use program resources either for traditional local activities or as substitutes for revenue that would otherwise need to be generated locally. Administrators of pre-existing programs will attempt to modify the program so that it is consistent with established practice. The program's focus on those with special needs will be diffused.

As these diffusing forces become evident, the groups originally responsible for passage of the law in the first instance will ask the central government to monitor program development more closely. (They may even have anticipated such developments and written strong language regulating program direction in the initial statute, thereby bypassing the first stage.) Central governmental officials will prepare and disseminate more detailed regulations and guidelines, carry out more intensive audits, and conduct evaluations to see whether or not objectives are being realized. Local governments increasingly convinced that the redistributive program aimed at those with special needs will in fact maintain its focus adjust their own program according to what is expected by the central government. Word from other communities gradually convinces local officials that they are not undertaking any commitments others are able to ignore. New professional administrators, who are supportive, perhaps even enthusiastic, proponents of the central government's policy, take charge of local programming. Compliance is so complete it becomes almost stereotyped. Local administrators become so attentive to the explicit and implicit guidelines of central government officials that even substantive policy objectives are at times subordinated to procedural regularity.

As responsiveness to federal predilections increases, conflicts between program administrators and the elected leaders of local governments intensify. These elected leaders, though broadly tolerant of the federal policy now that it is being applied consistently across local governments, still resent the intrusion of federal rules upon local decision-making. The community's territorial autonomy, for which the elected official is especially responsible, seems violated by the plethora of rules, audits and external evaluations. That local professionals identified with the program are responsible for its administration does little to assuage the politician's concern, for these professionals seem more committed to federal directives than to community concerns. Suggestions by local elected leaders are often blocked by administrators who cite federal directives and expectations. It is even possible--indeed likely--that federal regulations are used as an excuse for professional inaction that is actually motivated by quite other considerations. Many an administrator has discovered that the most effective response to his or her elected superiors is not that it shouldn't be done but that it can't be done. Federal regulations may be exactly the justification the professional bureaucrat needs to block changes he opposes in any case. Eventually, the elected official observes that the array of seemingly mindless procedures imposed by federal regulations prevents the program from efficiently achieving its own objectives.

Three factors affect the probability that such tensions will complicate the "fit" of federal policy in a particular locale. First, difficulties will arise more quickly in communities where the economic and/or fiscal situation is deteriorating. The more constrained local resources, the greater the desire to use federal dollars to solve local problems and the less the willingness to use local funds to help smooth over any administrative difficulties. Prosperous, growing communities see federal aid as a supplement to their own resources which can help them achieve goals they could not undertake on their own. Declining communities see federal aid as a means for ameliorating the problems they are encountering, and they resist those regulations that limit local flexibility.

Secondly, whenever administrative officials are less autonomous vis-à-vis their elected officials, local programs will be less responsive to federal expectations. The professional is rule bound, while the politician is place bound. The more the politician is in control, the less tolerant of federal procedures and the more resistant to federal dictates a local government becomes.

Thirdly, whenever redistributive programs become politically visible, their implementation is impeded. Newspaper attention, group pressure, partisan controversy and public debate focus attention on the local effects of the program, not on the way it may make a small contribution to a national problem. Power shifts from the professional administrator to the elected official. Federal officials generally accept minimum compliance.

While fiscal pressures, administrative practices and constituency pressures produce varied results among localities, the combined effect of repeated conflicts over program regulations generates a third stage in the evolution of program administration. Federal bureaucrats, facing complaints from local leaders as well as from their legislative representatives, modify program guidelines and expectations once again. A new tolerance of local diversity, a new recognition that no single programmatic thrust is clearly preferable, and an appreciation of the limits as to what can be directed from the center steadily emerges. Stage three is not a return to stage one, it must be emphasized. One does not see dramatic oscillations from complete permissiveness to detailed regulation and back again. Stage three is more a synthesis, a discernment of the appropriate balance between what is desirable and what is possible. Since local administration of the program is now in the hands of friendly professionals, and since the basic redistributive thrust of the program is accepted by all levels of government, central government decision-makers become more acceptant of the fact that all programs must be modified as they are carried out in particular contexts. Issues remain, problems arise, adjustments become necessary, but the dimensions of the debate become roughly those characteristic of any intergovernmental program, redistributive or not.

The story of intergovernmental redistribution does not always have as happy an ending as that which occurred when the prince embraced Cinderella. Some efforts to address the concerns of needy groups cannot be domesticated in the ways we have described. When programs of redistribution are clearly perceived as having a long-range, substantially adverse effect on communities, local resistance to policy implementation can be intense. At times federal aid is simply refused. At other times the dollars are accepted but the regulations are all but ignored. In still other cases compliance occurs only as the result of direct judicial intervention or after prolonged, intense negotiations between high officials of the central and local governments.

These are the events that are best known, can be told to greatest effect, capture the attention of popular and academic audiences, and shape the general understanding concerning the processes of federalism.[2] But though the particular incidents are painfully enticing, they constitute a biased sample from which one generalizes only at great risk. Cooperative federalism is not only a widely practiced art; there is every theoretical reason to expect its continued practice. Its main critics are those who expect optimum efficiency when that can only be approximated. It has been observed that the best is the enemy of the good, as striving for perfection only undermines what is quite satisfactory. In this case, those who constantly attempt to perfect intergovernmental relations only rearrange, confuse and destabilize a complex system that takes years, even decades, to develop.

The Future of Federalism

A pure theory of federalism transcends time and place. It identifies general properties of a system that one expects to find, at least to some degree, in any historical instance. But what can be said about the historical evolution of the federal system over the past decades? What clues do we have about the direction that the system will move in the years ahead?

It can now be seen that the Great Society placed considerable stress on the intergovernmental system. In prior decades cooperative federalism had thrived in part because it confined itself to the administration of developmental programs. National and local administrators had worked together on highway construction, vocational education, aid for federally impacted schools, and mathematics and science programs. In all these programs federal and local governments had a common interest in seeing these projects prosper and expand. When the creators of the Great Society asked the federal system to carry out a host of redistributive programs—in health care, education, housing, and numerous other policy areas—they placed that system under considerable stress.

The first round of legislation and administrative guidelines were written in the same vague language that had always been suitable for intergovernmental programs. But Great Society proponents soon discovered that such vagaries presupposed a similar commitment to reform, innovation and redistribution at the local level as pervaded Washington. When local officials—in both North and South—turned out to be more recalcitrant than anticipated, a second round of legislative and administrative activity ensued. This time regulations were more precise; what was once left to interpretation was now elaborated in specific detail. Even Congressional statutes were written with a new precision, as members of Congress and their increasingly numerous staff assistants wrote into law exactly what was desired and precisely how to achieve it.

Regulations were followed by evaluations, as the new tools of the social sciences were mobilized on behalf of institutional reform. In the old federal system lawmakers had had to accept the word of the administrators and their interest group allies. Few had doubted that vocational education had a beneficial effect, for example, because local vocational administrators had reported how many boys had learned a new trade, the Vocational Education Association had showed the rising number of students participating in such courses, and outstanding members of the Future Farmers of America had testified how much the program meant to them.

As the theory and practice of evaluation research evolved, lawmakers discovered a new source of information about the effects of program activities. Instead of success stories from unique individuals, it was possible to gather information on the experiences of a scientifically selected random sample of program participants. Instead of biased reports from self-interested administrators, factual, objective accounts could be obtained from independent researchers. Instead of interest group pressure, the lawmaker had facts and figures to review.

Independent evaluations greatly disturbed the policy-makers for the Great Society. More often than not, these studies showed that federally funded programs had little or no effect. The poor and the disadvantaged received little educational compensation from Title I funds; Head Start had only modest long-term effects; the nutrition of the poor improved but little from the availability of food stamps; Medicaid enabled the poor to see the doctor more frequently but their health did not detectably improve; even vocational education did not seem to work—one could learn as much and get a job as easily if one were in general education as in a vocational program.

In the early years these evaluations encouraged federal lawmakers and administrators to redouble their efforts. Believing the problem to be in the commitment and determination of local officials, national policy-makers both wrote tighter regulations and encouraged members of what became known as the "target population" to press local decision-makers. For a time the conflicts among federal, state and local governments, reinforced by racial conflicts in the wider society, became so severe that the durability of the system almost came into question. Even today, the intensity of the exchanges of that period--the exact timing varied with both city and program--have left a legacy of uncertainty and disappointment that helps explain much of the current suspicion of intergovernmental programs.

But well before the contemporary review of federal programs conducted by the Reagan Administration, the intergovernmental system had begun its own processes of assessment. These were less visible, less controversial and less sweeping examinations. But although the steps taken in response to them were incremental, ad hoc, and in one program at a time, the overall effect was to diminish greatly the difficulties of managing intergovernmental programs while nonetheless keeping their purpose basically intact. The processes of adjustment occurred on both sides. At the local level a new professional cadre more identified with program objectives was recruited to administer federal programs, and locals became more sensitive to federal expectations. At the federal level policy-makers began to doubt whether detailed regulations, tight audits, and experimental-design evaluations were unmixed blessings. Regulations tended to distract administrators from substantive to procedural issues; audits demanding the return of federal funds whenever less than full compliance was detected seemed tantamount to shooting rabbits with bazookas; the more evaluators found nothing to have any effect, the greater the doubt among policy-makers that experimental-design research could actually isolate the effects of demonstration projects. Expectations became more modest, administrators developed program identifications that transcended governmental boundaries, citizen groups replaced contentious criticism with astute support for more federal resources, and a commitment to a coordinated effort gradually emerged.

The Omnibus Budget Reconciliation Act of 1981 altered the landscape of the federal system, changed the terms of the debate, eliminated many specific programs, and reduced levels of federal support. The question at stake was no longer how quickly a program would grow but whether it could avoid deep cuts, if not outright elimination. But even in this case the short-term consequences have been less than what one might have anticipated in the summer of 1981, when a Republican Administration and a conservative Congress, working in harness under the brilliant leadership of the Office of Management and Budget, developed a long-range plan to deregulate federal programs, to substitute block grants for categorical programs, and to reduce step by step the amount of federal support with each succeeding year.

In education the outcome was more of a compromise with less dramatic consequences for educational policies than neo-conservatives had hoped. While the emergency school aid act and the instructional supplies programs (which had succeeded NDEA Title III) were eliminated in favor of a small block grant to the states, the largest and most significant federal programs--compensatory education, special education, vocational education, bilingual education, and impact aid--remained intact. Funds were reduced; if one calculates monies in constant rather than current dollars the cuts appear especially substantial, though after 1981 Congress proved less willing to reduce further the size of these and other intergovernmental programs. But inasmuch as Congressional enactments affect actual school expenditures one year after the fiscal year for which appropriations are made, decisions taken on the Hill were felt at the local level only a year or more after policy had changed. What was proposed in Washington in 1981 did not begin to take effect locally until 1983, and by that time the economic recovery, the renewed state interest in education, and administrative actions designed to ameliorate the processes of adjustment softened the impact of a changing federal policy.

Yet one should not close this manuscript on a note that suggests that long-term effects can be discerned within a year or two of a new legislative initiative. If our research has shown anything, it has demonstrated that the full effects of federal policy are known only a decade or more after enactment. Hasty judgments may seem to have great policy relevance, but they are apt to be misleading guides. The analyses of the Great Society, written only a year or two after the experiments began, reached the conclusion that nothing much had changed at the local level. With some hindsight we can cast doubt on those pessimistic conclusions. But we must then avoid the temptation of reaching a similar conclusion about the Reagan experiment in a new, more modest federalism. Thus far, its impact on the federal system, though detectable, has not been pervasive. But if this new policy thrust has a decade or more to become institutionalized in American governmental practice, the consequences may accumulate in ways that at this writing cannot be easily ascertained.

Our theory of federalism, it must be pointed out, does not specify what level of intergovernmental redistribution a country will attempt. That depends on social expectations, political forces, and the accidents of political and policy campaigns. If a society decides to expand its redistributive agenda, it can call on its federal system for help. But if it wishes to contract the level of services provided to those with special needs, the size of the intergovernmental system will then contract. The system itself is responsive and adaptive. Though it takes time to change its contours, the federal system, as an institution, is quite consistent with a broad range of policy perspectives. Were it otherwise, it could not accommodate the diversity of American society and opinion, a diversity that has required a federal system, with all its complexity, in the first place.

Footnotes

1. C.M. Tiebout, "A Pure Theory of Local Expenditures, Journal of Political Economy 64 (1956), pp. 416-24.

2. Henry J. Aaron found the research upon which "common views" of federal policy were based to have serious shortcomings that repeatedly fostered skepticism through excessively negative assessments. Aaron, Politics and the Professors: The Great Society in Perspective (Washington, D.C.: Brookings Institution, 1978).